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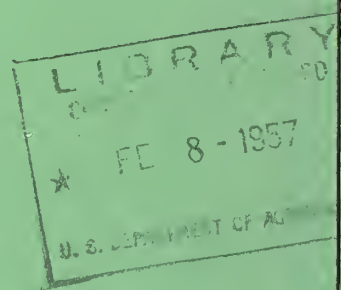
BUDGET ESTIMATES

FOR THE

UNITED STATES

DEPARTMENT OF AGRICULTURE

FOR THE FISCAL YEAR ENDING
JUNE 30, 1958



A SEPARATE FROM THE BUDGET OF
THE UNITED STATES GOVERNMENT
1958

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A Separate from the Budget of the United States Government
1958



UNITED STATES
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INTRODUCTION TO PART I

Part I of the budget (pp. A1 to A13) contains seven summary tables on Federal funds and on the public debt. Each of these tables is designed to bring together in one or two pages some overall aspect of the Federal budget.

TYPES OF FEDERAL FUNDS

The Federal (Government-owned) funds are of four types as follows:

The *general* fund is credited with receipts which are not earmarked by law for a specific purpose, and is charged with expenditures that are payable from appropriations (except appropriations of earmarked receipts) and those payable from borrowing. Both in number of items and in amounts, most of the Government's business is transacted through the general fund.

Special funds are those which are established to account for receipts that are earmarked by law for a specific purpose. They exclude the funds which carry on a cycle of operations for which there is continuing authority to use the receipts (as described in the next paragraph). Some special funds are subject to annual appropriation by Congress. Others are automatically available under the laws which created the funds.

Revolving funds are those which finance a cycle of operations, in which the expenditures generate receipts which are available for continuing use. They are divided into two subcategories—those with receipts primarily from outside the Government are called *public enterprise* funds, and those with receipts primarily from inside the Government are called *intragovernmental* funds. The former include nearly all of the Government corporations, the postal fund, and various unincorporated enterprises. The latter include various funds for stocking of supplies, for printing operations, and for the performance of services to meet the Government's own needs.

Management funds (including *consolidated working* funds) are those which are created to permit the pooling of advance payments from two or more appropriations to carry out certain activities.

BUDGET SURPLUS, DEFICIT, AND PUBLIC DEBT

Budget surplus and deficit.—The budget surplus or deficit, shown in table 1, represents the difference between the *net budget receipts* and *net budget expenditures* of a given year. Cash balances, appropriation balances, and surpluses and deficits of previous years are not a part of the calculation.

The public debt.—Table 4 gives details regarding the effect of each year's operations upon the public debt. The budget surplus or deficit is not the only factor which causes a change in the public debt. The amount necessary to borrow or possibly to repay is also influenced by: Changes in cash balances, the result of trust fund transactions, the use of Government corporation borrowing directly from the public as a means of financing budget expenditures of the corporations (and the repayments of such borrowing as an application of public enterprise fund receipts), and the change in the amount of checks outstanding and other items in process of clearance through the accounts.

BUDGET RECEIPTS AND EXPENDITURES

Fund classification of receipts.—Receipts for the general fund and the special funds are called *budget receipts*. Receipts for revolving funds are deducted in arriving at net expenditures of those funds; for the public enterprise funds, such receipts are identified in certain tables and called *applicable receipts*. This practice is followed because the revolving fund receipts are available to carry out the cycle of operations for which the revolving funds were created, and are applied to the expenditures of such funds.

Basis of stating budget receipts.—Table 1 includes a summary of budget receipts. Internal revenue and customs receipts are stated on the basis of collections reported by collecting officers. Other receipts are reported on the basis of confirmed deposits.

Net budget receipts represent the total received for general and special funds, less (a) refunds of receipts, and (b) transfers to trust fund receipts in the four cases where the law provides an indefinite appropriation to a trust fund in an amount equal to certain tax receipts. Transfers to trust fund receipts are itemized in special analysis B.

Basis of stating budget expenditures.—Tables 1, 2, 3, and 6 include information on budget expenditures. Such expenditures cover the general fund, the special funds, and the revolving and management funds.

The *checks-issued* basis of stating expenditures, which is used regularly for net expenditures of the public enterprise funds and for the expenditures of all other fund groups, means that expenditures are reported for the fiscal year in which the checks are issued, regardless of when the obligation was incurred or the goods and services received. Modifications in this basis are made as follows: (a) Where payment is made in cash instead of by check, the cash payment is an expenditure; (b) where payment is made by the issuance of bonds or by an increase in their redemption value, instead of by the issuance of checks, the bond issuance is an expenditure; and (c) interest on the public debt, other than increases in the redemption values of savings bonds, is reported on an accrual basis. Inter-agency payments and reimbursements, including those going into intragovernmental revolving and management funds, are netted; that is, to avoid double counting they are treated only as expenditures of the agency whose appropriation or fund is ultimately bearing the charge. Some incidental reimbursements from outside the Government are similarly netted out of all expenditure figures.

Basis of reporting expenditures and applicable receipts of public enterprise funds.—The figures for *gross budget expenditures* (tables 1 and 6) include the total sums expended from public enterprise funds, while the receipts of such funds are deducted in arriving at net expenditures. The gross figures used here for the public enterprise funds are derived from the business-type budget statements of part II, which show expenditures and receipts on an accrual basis with a single adjustment (on either the expenditure or receipt side but not both) for the conversion from an accrual to a checks-issued basis. Therefore, the gross expenditures shown for such funds are not strictly on a checks-issued basis, nor are the applicable receipts strictly on a collection or deposit basis, but the net expenditures are on the checks-issued basis (net).

Debt and investment transactions.—Receipts never include money obtained from borrowing. Similarly, retirement of debt is always excluded from budget expenditure figures. The purchase of United States Government securities, and redemptions or sales thereof, are also excluded from the expenditure and receipt figures.

Eliminations from both receipts and expenditures.—Certain payments from one fund to another are eliminated from budget receipts and expenditures. This is done to avoid inflating both sides of the budget. Payments to the general fund of earnings and dividends on capital of revolving funds, and the return of such capital to the general fund are the items so excluded.

BUDGET AUTHORIZATIONS

Table 3 summarizes the budget authorizations available and their disposition. Table 5 gives a breakdown by agency of the new authorizations becoming available each year, and table 7 gives supplementary information on the balances at start and end of the year.

The obligation basis.—Expenditures can be made only pursuant to appropriations or other authorizations granted by Congress. Government agencies are generally permitted by law to incur obligations requiring the future payment of money only when they have an appropriation or other authorization available for the purpose. Therefore, authorizations are enacted to cover *obligations* expected to be incurred within the fiscal year rather than to cover only the *expenditures* which are expected to be made during that year in payment of obligations.

Distinction between permanent and current authorizations.—Tables 3 and 5 distinguish *permanent* authorizations and *current* authorizations. The permanent items are those under which additional sums become available from time to time under action previously taken by the Congress; no further action is required each year. Most permanent authorizations are in force until repealed; a few are in effect for only a few years as specified in the law. The current authorizations are those enacted by Congress in or immediately preceding each fiscal year.

Balances.—Many budget authorizations are available for obligation for only 1 year, but some are available for longer periods of time. However, balances remain available indefinitely to pay obligations lawfully incurred within the original period of availability of the appropriation. In the case of salaries and wages, travel, and like items, the lag between obligations and expenditures is usually no more than a few weeks or a few months. In the case of construction, major procurement, certain research contracts and similar items, the lag between obligations and expenditures may be as much as 1 or 2 years, and sometimes is even longer. For some revolving funds and certain other purposes, Congress has granted obligational authority well in advance of specific requirements, as a means of providing for contingencies which may arise. As a result of the foregoing factors, substantial balances of budget authorizations are carried forward from one year to the next. Such balances are not in the form of cash, but are bookkeeping authority for the incurring of obligations or the making of expenditures, for which cash must be provided through channels of financial management at the time the expenditures occur.

Relating expenditures to authorizations.—Tables 3 and 6 summarize the relationship between budget authorizations and budget expenditures. Because old and new authorizations are by law commingled in some of the accounts, no attempt is made in the summary figures to separate actual spending in 1956 between the use of new authorizations and the use of balances. However, the

budget presents such a breakdown on an estimated basis for 1957 and 1958. In the case of revolving and management funds, it assumes that the portion of their expenditures chargeable to budget authorizations is equal to the portion of the authorizations credited to the revolving fund during the year. The remainder of the revolving and management fund expenditures (or negative expenditures) are here classified as being charges or credits to balances of such funds.

TYPES OF NEW OBLIGATIONAL AUTHORITY

Appropriations are authorizations to make expenditures from the general fund of the Treasury or from the various special funds. In some cases the authority to incur obligations has previously been granted in the form of contract authorizations; in such cases, the appropriation to permit the payment of such obligations is said to be to *liquidate contract authorizations*. In all other cases appropriations confer authority both to incur new obligations and to pay for them.

Contract authorizations are authorizations to incur obligations prior to the enactment of an appropriation. A contract authorization does not in itself permit the spending of money; hence it must be followed by an appropriation to permit payment of the contracts and other obligations thus incurred.

Authorizations to expend from debt receipts are authorizations to make expenditures from borrowed money. Such authorizations may take these forms: (a) Authorizations for the Treasury to make public debt receipts available to a given agency or enterprise, often in exchange for notes of the enterprise; (b) authorizations for a Government-owned corporation to borrow directly from the public; and (c) cancellation of notes which have been issued by a Government enterprise and are held by the Treasury, where the cancellation has the effect of permitting further expenditures to be made (through restoring previously used authority to borrow from the Treasury).

Reappropriations and reauthorizations are actions to continue available part or all of the unused balances of prior appropriations or authorizations which would otherwise expire. When the authorizations thus continued had been previously granted for current operations of the year, the continuation of their availability into a new year constitutes new obligational authority.

Total new obligational authority shown in table 3 is the sum of the various types of authorizations named above, less the portion of appropriations which is for liquidation of prior contract authorizations. This total represents the new authority becoming available in any given year for the purposes of making commitments.

PROPOSED LEGISLATION AND OTHER ITEMS FOR LATER TRANSMISSION

Tables 1, 2, 3, and 5 identify by separate columns the estimates of receipts, authorizations, and expenditures under legislative proposals recommended by the President, and other supplemental authorizations, and expenditures therefrom, which it is expected will be transmitted later. Table 6 identifies such items in a separate stub section. Such estimates include, in addition to the various supplemental estimates which are identified in part II, an allowance for items which cannot be foreseen now but which will be transmitted later when definite amounts can be determined and the needs can be more specifically identified. Congressional action upon this allowance will be requested later, not at a single time nor as a single lump-sum item, but in the form of a number of specific appropriations for individual items.

TABLE 1
SUMMARY OF BUDGET RECEIPTS AND EXPENDITURES

Based on existing and proposed legislation

[In millions]

Description	1956 actual	1957 estimate			1958 estimate		
		Under exist- ing laws and authorizations enacted or recommended	Proposed for later trans- mission	Total	Under exist- ing laws and authorizations enacted or recommended	Proposed for later trans- mission	Total
BUDGET RECEIPTS (see special analysis B):							
Individual income taxes.....	\$35, 334	\$38, 500		\$38, 500	\$41, 000		\$41, 000
Corporation income taxes.....	21, 299	21, 400		21, 400	20, 500	\$1, 500	22, 000
Excise taxes.....	10, 004	10, 505	\$186	10, 691	10, 405	666	11, 071
Employment taxes.....	7, 296	7, 750		7, 750	8, 420		8, 420
Estate and gift taxes.....	1, 171	1, 380		1, 380	1, 475		1, 475
Customs.....	705	775		775	800		800
Miscellaneous receipts ¹	3, 012	2, 991		2, 991	3, 283		3, 283
Deduct—							
Transfers to trust funds.....	6, 971	8, 979		8, 979	10, 273		10, 273
Refunds of receipts.....	3, 684	3, 880		3, 880	4, 341	—185	4, 156
Net budget receipts.....	68, 165	70, 442	186	70, 628	71, 269	2, 351	73, 620
BUDGET EXPENDITURES (see special analysis C):							
Major national security.....	40, 845	41, 153	150	41, 303	42, 744	877	43, 621
International affairs and finance.....	2, 151	2, 765	2	2, 767	2, 278	600	2, 878
Veterans' services and benefits.....	4, 804	4, 825	81	4, 906	4, 984	101	5, 085
Labor and welfare.....	2, 778	2, 754	281	3, 035	3, 342	200	3, 542
Agricultural and agricultural resources.....	9, 060	9, 523	37	9, 560	8, 087	36	8, 123
Natural resources.....	1, 361	1, 625	24	1, 649	1, 807	29	1, 836
Commerce and housing.....	5, 958	6, 434	140	6, 574	6, 637	267	6, 904
General government.....	1, 633	1, 853	20	1, 873	1, 444	11	1, 455
Interest.....	6, 846	7, 260		7, 260	7, 360		7, 360
Allowance for contingencies.....			200	200		400	400
Gross budget expenditures.....	75, 436	78, 192	935	79, 127	78, 682	2, 521	81, 203
Deduct applicable receipts (see table on p. M25) ..	8, 896	10, 222	5	10, 227	8, 719	677	9, 396
Net budget expenditures.....	66, 540	67, 970	930	68, 900	69, 963	1, 844	71, 807
Budget surplus.....	1, 626			1, 728			1, 813

¹ Includes taxes not otherwise classified.

TABLE 2
SUMMARY OF NET BUDGET EXPENDITURES

BY FUNCTION AND AGENCY

Based on existing and proposed legislation

[In millions]

Description	1956 actual	1957 estimate			1958 estimate		
		Under authorizations already enacted	Proposed for later transmission	Total	Under authorizations enacted or recommended in this document	Proposed for later transmission	Total
BY FUNCTION							
Major national security-----	\$40, 641	\$40, 815	\$150	\$40, 965	\$42, 458	\$877	\$43, 335
International affairs and finance-----	1, 846	2, 381	2	2, 382	1, 844	600	2, 444
Veterans' services and benefits-----	4, 756	4, 770	81	4, 851	4, 926	101	5, 027
Labor and welfare-----	2, 776	2, 750	281	3, 032	3, 338	200	3, 538
Agriculture and agricultural resources-----	4, 913	4, 664	37	4, 701	4, 928	36	4, 965
Natural resources-----	1, 104	1, 347	24	1, 371	1, 510	29	1, 538
Commerce and housing-----	2, 028	2, 133	135	2, 269	2, 158	d 410	1, 748
General government-----	1, 629	1, 850	20	1, 870	1, 441	11	1, 451
Interest-----	6, 846	7, 260		7, 260	7, 360		7, 360
Allowance for contingencies-----			200	200		400	400
Net budget expenditures-----	66, 540	67, 970	930	68, 900	69, 963	1, 844	71, 807
BY AGENCY							
Legislative branch-----	85	109		109	122		122
The judiciary-----	37	40	(b)	40	44	(b)	44
Executive Office of the President-----	10	11		11	12		12
Funds appropriated to the President:							
Mutual security-----	4, 201	4, 102		4, 102	3, 256	1, 100	4, 356
Other-----	272	35		35	89		89
Independent offices:							
Atomic Energy Commission-----	1, 651	1, 940		1, 940	2, 310	30	2, 340
Veterans Administration-----	4, 731	4, 776	81	4, 857	4, 967	101	5, 068
Other-----	601	1, 435	21	1, 456	798	88	886
General Services Administration-----	523	672	18	690	649	5	654
Housing and Home Finance Agency-----	39	608	110	719	336	55	391
Department of Agriculture-----	5, 177	5, 109	42	5, 152	5, 293	37	5, 330
Department of Commerce-----	1, 293	640	4	644	739	33	772
Department of Defense—Military Functions-----	35, 791	35, 850	150	36, 000	37, 653	347	38, 000
Department of Defense—Civil Functions-----	573	649	(b)	649	688	12	700
Department of Health, Education, and Welfare-----	2, 071	2, 080	281	2, 361	2, 634	197	2, 831
Department of the Interior-----	512	633	19	652	685	19	704
Department of Justice-----	216	214	(b)	214	226	(b)	226
Department of Labor-----	412	408	(b)	409	415	3	418
Post Office Department-----	463	459		459	642	d 584	58
Department of State-----	142	182	2	184	230	(b)	230
Treasury Department-----	7, 719	7, 992	1	7, 992	8, 132	(b)	8, 132
District of Columbia (general fund)-----	22	27		27	43		43
Allowance for contingencies-----			200	200		400	400
Net budget expenditures-----	66, 540	67, 970	930	68, 900	69, 963	1, 844	71, 807

^b Less than one-half million dollars.

^d Deduct, includes proposed postal rate increase of \$654 million.

TABLE 3
SUMMARY OF BUDGET AUTHORIZATIONS AND THEIR DISPOSITION

Based on existing and proposed legislation

[In millions]

Description	1956 enacted	1957			1958		
		Enacted	Proposed for later transmission	Total	Recommended in this document	Proposed for later transmission	Total
BUDGET AUTHORIZATIONS AVAILABLE							
New obligational authority (see table 5):							
Current authorizations:							
Appropriations.....	\$50, 824	\$56, 546	\$1, 097	\$57, 642	\$56, 321	\$7, 486	\$63, 807
Portion of appropriations to liquidate contract authorizations (—).....	— 942	— 173	— 1	— 174	— 117	— 1	— 118
Authorizations to expend from debt receipts.....	2, 842	4, 268	476	4, 744	484	865	1, 349
Contract authorizations.....	109	2		2	1	250	251
Reappropriations.....	423	71		71	23		23
Permanent authorizations:							
Appropriations.....	7, 358	7, 704		7, 704	7, 853		7, 853
Authorizations to expend from debt receipts.....	287	196		196	36		36
Contract authorizations.....	2, 297	340		340	140		140
Total new obligational authority.....	63, 198	68, 952	1, 572	70, 524	64, 741	8, 600	73, 341
Balances brought forward at start of year ¹ (see table 7):							
Appropriations.....	52, 095	45, 968		45, 968	46, 025	320	46, 345
Authorizations to expend from debt receipts.....	19, 563	18, 252		18, 252	18, 192	358	18, 550
Contract authorizations.....	2, 587	4, 041		4, 041	1, 046		1, 046
Revolving and management funds (including U. S. Government securities held).....	5, 393	4, 639		4, 639	4, 021		4, 021
Other amounts available:							
Adjustment of balances upward for claims, etc. (net).....	224	° 8	36	28	° 189	189	
Authorizations to expend from appropriations of subsequent year.....	368	447		447	447		447
Authorizations made available in prior year (—).....	— 333	— 368		— 368	— 447		— 447
Restored from certified claims account.....		371		371			
Total budget authorizations available.....	143, 095	142, 294	1, 608	143, 902	133, 836	9, 467	143, 303
EXPENDITURES AND BALANCES							
Expenditures in the year (net) (see table 6):							
Out of new obligational authority.....	66, 540	44, 485	929	45, 414	46, 235	1, 626	47, 861
Out of appropriations to liquidate contract authorizations.....		150	1	151	117	1	118
Out of authorizations to expend from subsequent year appropriations.....		164		164	162		162
Out of balances of prior expenditure authorizations.....		24, 220		24, 220	23, 989	218	24, 207
Out of balances of revolving and management funds.....		° 1, 048		° 1, 048	° 540		° 540
Total expenditures in the year (net).....	66, 540	67, 970	930	68, 900	69, 963	1, 844	71, 807
Balances no longer available.....	3, 656	² 5, 039		² 5, 039	973		973
Balances carried forward at close of year ¹ (see table 7):							
Appropriations.....	45, 968	46, 025	320	46, 345	41, 084	6, 204	47, 288
Authorizations to expend from debt receipts.....	18, 252	18, 192	358	18, 550	16, 573	1, 169	17, 742
Contract authorizations.....	4, 041	1, 046		1, 046	1, 067	250	1, 317
Revolving and management funds (including U. S. Government securities held).....	4, 639	4, 021		4, 021	4, 175		4, 175
Total expenditures and balances (net).....	143, 095	142, 294	1, 608	143, 902	133, 836	9, 467	143, 303

¹ Balances forward¹ are divided as follows (in millions): Obligated—July 1, 1955, \$37,823; 1956, \$37,402; 1957, \$40,250; 1958, \$45,083; and unobligated—July 1, 1955, \$41,815; 1956, \$35,501; 1957, \$29,711; 1958, \$25,439.

² Includes \$3,100 million balance of Federal-aid highway authorization transferred to trust fund.

° Deduct.

TABLE 4

EFFECT OF FINANCIAL OPERATIONS ON CASH BALANCES AND THE PUBLIC DEBT

[In millions]

Description	1956 actual	1957 estimate	1958 estimate
Effect of operations on cash balances:			
Budget surplus.....	\$1, 626	\$1, 728	\$1, 813
Trust fund operations, decrease (—) in cash balances (table 8) ..	—166	—57	—245
Public enterprise debt and investment transactions, net (special analysis K).....	—27	—167	—125
Increase or decrease (—) in outstanding checks, deposits in transit, and similar items.....	320	23	—43
Total effect of operations on cash balances.....	1, 753	1, 527	1, 400
Cash balances at start of year.....	7, 295	7, 424	6, 800
Cash position resulting from operations.....	9, 048	8, 951	8, 200
Cash balances at close of year.....	7, 424	6, 800	6, 800
Decrease in public debt.....	1, 623	2, 151	1, 400
Public debt at start of year.....	\$274, 374	\$272, 751	\$270, 600
Net decrease.....	1, 623	2, 151	1, 400
Public debt at close of year.....	272, 751	270, 600	269, 200

NOTE.—Comparison with statutory limitation on debt:

	1956 actual	1957 estimate	1958 estimate
Public debt at close of year.....	\$272, 751	\$270, 600	\$269, 200
Guaranteed obligations of Government agencies not owned by Treasury.....	74	120	155
Debt not subject to statutory limitation.....	—463	—450	—430
Debt subject to statutory limitation.....	272, 361	270, 270	268, 925
Statutory limitation on debt at close of year.....	275, 000	275, 000	275, 000
Maximum statutory limitation on debt during year.....	281, 000	278, 000	275, 000

NOTE.—Cash balance reflected above is composed as follows:

	June 30, 1955	June 30, 1956	June 30, 1957	June 30, 1958
In Treasury.....	\$6, 216	\$6, 546	\$6, 000	\$6, 000
Outside Treasury.....	1, 080	878	800	800
	7, 295	7, 424	6, 800	6, 800

TABLE 5
SUMMARY OF BUDGET AUTHORIZATIONS
BY TYPE OF AUTHORIZATIONS AND AGENCY
Based on existing and proposed legislation

Description	1956 enacted	1957			1958		
		Enacted	Proposed for later transmission	Total	Recommended in this document	Proposed for later transmission	Total
CURRENT AUTHORIZATIONS							
Appropriations:							
Legislative branch.....	\$103,719,207	\$117,814,058		\$117,814,058	\$103,628,858		\$103,628,858
The Judiciary.....	36,907,685	39,429,135	\$309,200	39,738,335	44,683,120		44,683,120
Executive Office of the President.....	10,395,275	10,714,975		10,714,975	12,047,870		12,047,870
Funds appropriated to the President:							
Mutual security.....	2,703,341,750	3,766,570,000		3,766,570,000		\$4,400,000,000	4,400,000,000
Other.....	49,500,000	25,800,000		25,800,000	35,000,000		35,000,000
Independent offices:							
Atomic Energy Commission.....	834,227,000	1,898,700,000		1,898,700,000	2,377,000,000	120,000,000	2,497,000,000
Veterans Administration.....	4,706,735,400	4,727,114,930	82,200,000	4,809,314,930	4,889,363,000	100,000,000	4,989,363,000
Other.....	756,602,630	1,143,403,296	50,514,500	1,193,917,796	648,730,700	127,500,000	776,230,700
General Services Administration.....	745,704,000	238,497,600	23,580,000	262,077,600	444,589,000		444,589,000
Housing and Home Finance Agency.....	152,235,000	159,425,000	100,845,000	260,270,000	127,900,000	5,225,000	133,125,000
Department of Agriculture.....	994,851,339	2,128,760,718	7,264,000	2,136,024,718	4,346,342,617		4,346,342,617
Department of Commerce.....	1,423,164,777	664,900,136	61,570,000	726,470,136	861,325,000	53,000,000	914,325,000
Department of Defense—Military Functions.....	33,141,202,926	36,173,551,362	200,000,000	36,373,551,362	36,234,000,000	2,257,900,000	38,491,900,000
Department of Defense—Civil Functions.....	636,075,514	662,057,500	1,378,000	663,435,500	682,963,000	18,835,000	701,798,000
Department of Health, Education, and Welfare.....	2,099,532,635	2,214,288,419	282,049,000	2,496,337,419	2,583,309,081	477,545,000	3,060,914,081
Department of the Interior.....	455,425,485	536,834,703	33,928,000	570,762,703	625,592,750	7,000,000	632,592,750
Department of Justice.....	211,072,000	216,043,650	200,000	216,243,650	234,655,000		234,655,000
Department of Labor.....	469,872,559	430,785,500	118,000	430,903,500	435,028,000	3,200,000	438,228,000
Post Office Department.....	469,500,000	483,366,500		483,366,500	651,000,000	4 584,000,000	67,000,000
Department of State.....	146,698,695	221,700,072	1,950,000	223,650,072	227,714,552		227,714,552
Treasury Department.....	647,848,048	652,565,784	700,000	653,265,784	713,831,000		713,831,000
District of Columbia (general fund).....	29,592,700	33,258,650		33,258,650	42,315,450		42,315,450
Allowance for contingencies.....			250,000,000	250,000,000		500,000,000	500,000,000
Total appropriations (excluding refunds of receipts).....	50,824,204,625	56,545,581,988	1,096,605,700	57,642,187,688	56,321,078,998	7,486,205,000	63,807,283,998
Deduct portion of appropriations to liquidate prior contract authorizations:							
Legislative branch.....	10,300,000	28,446,000		28,446,000	8,230,000		8,230,000
General Services Administration.....	37,100,000	5,300,000		5,300,000			
Housing and Home Finance Agency.....	50,000,000	40,000,000	75,000	40,075,000		725,000	725,000
Department of Commerce.....	787,250,000	56,834,942	1,000,000	57,834,942	65,000,000		65,000,000
Department of Defense—Military Functions.....	28,000,000						
Department of Health, Education, and Welfare.....	2,407,008	964,655		964,655	678,455		678,455
Department of the Interior.....	26,961,795	41,719,780		41,719,780	43,420,000		43,420,000
Total appropriations to liquidate prior contract authorizations.....	942,018,803	173,265,377	1,075,000	174,340,377	117,328,455	725,000	118,053,455
Total appropriations which provide new obligational authority.....	49,882,185,822	56,372,316,611	1,095,530,700	57,467,847,311	56,203,750,543	7,485,480,000	63,689,230,543
Authorizations to expend from debt receipts:							
Funds appropriated to the President: Mutual security.....		37,500,000		37,500,000			
Independent offices:							
Veterans Administration.....	92,997,475						
Other.....						65,000,000	65,000,000
Housing and Home Finance Agency.....	305,817,701	750,000,000	450,000,000	1,200,000,000		775,000,000	775,000,000
Department of Agriculture.....	2,408,100,000	3,480,385,000	26,000,000	3,506,385,000	484,350,000	25,000,000	509,350,000
Treasury Department.....	35,168,000						
Total authorizations to expend from debt receipts.....	2,842,083,176	4,267,885,000	476,000,000	4,743,885,000	484,350,000	865,000,000	1,349,350,000
Contract authorizations:							
Legislative branch.....	105,100,000	730,000		730,000			
Housing and Home Finance Agency.....						250,000,000	250,000,000
Department of Commerce.....	2,834,942						
Department of Health, Education, and Welfare.....	678,455	1,091,780		1,091,780	678,455		678,455
Total contract authorizations.....	108,613,397	1,821,780		1,821,780	678,455	250,000,000	250,678,455

⁴ Deduct, includes proposed postal rate increase of \$654 million.

TABLE 5—Continued

SUMMARY OF BUDGET AUTHORIZATIONS—Continued

BY TYPE OF AUTHORIZATIONS AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Description	1956 enacted	1957			1958		
		Enacted	Proposed for later transmission	Total	Recommended in this document	Proposed for later transmission	Total
CURRENT AUTHORIZATIONS—Continued							
Reappropriations:							
Legislative branch.....		\$60,000		\$60,000			
The judiciary.....	\$3,803						
Independent offices:							
Atomic Energy Commission.....	344,957,297	62,727,668		62,727,668	\$22,727,668		\$22,727,668
Other.....	1,624,385	2,068,773		2,068,773	19,118		19,118
General Services Administration.....		596,679		596,679			
Department of Agriculture.....	364,799	53,619		53,619			
Department of Commerce.....	649,361						
Department of Defense—Military Functions.....	65,739,080	5,000,000		5,000,000			
Department of the Interior.....	9,961,027				415,000		415,000
Total reappropriations.....	423,299,752	70,506,739		70,506,739	23,161,786		23,161,786
Total new obligational authority under current authorizations.....	53,256,182,147	60,712,530,130	\$1,571,530,700	62,284,060,830	56,711,940,784	\$8,600,480,000	65,312,420,784
PERMANENT AUTHORIZATIONS							
Appropriations:							
Independent offices:							
Veterans Administration.....	702,826	620,000		620,000	620,000		620,000
Other.....	2,473,789	2,289,974		2,289,974	2,269,883		2,269,883
General Services Administration.....	710,000	2,000,000		2,000,000	2,000,000		2,000,000
Department of Agriculture.....	194,296,990	243,335,063		243,335,063	301,862,400		301,862,400
Department of Defense—Military Functions.....	7,560,436	8,100,000		8,100,000	8,100,000		8,100,000
Department of Defense—Civil Functions.....	29,640,946	1,670,000		1,670,000	1,672,500		1,672,500
Department of Health, Education, and Welfare.....	9,688,331	9,688,331		9,688,331	9,688,331		9,688,331
Department of the Interior.....	77,143,984	83,564,337		83,564,337	83,733,250		83,733,250
Department of State.....	2,446,276	2,712,433		2,712,433	2,661,168		2,661,168
Treasury Department.....	7,032,970,065	7,349,977,754		7,349,977,754	7,440,206,198		7,440,206,198
Total appropriations (excluding refunds of receipts).....	7,357,633,643	7,703,957,892		7,703,957,892	7,852,813,730		7,852,813,730
Authorizations to expend from debt receipts:							
Independent offices:							
Veterans Administration.....		150,000,000		150,000,000			
Other.....	7,190,000						
Housing and Home Finance Agency.....	279,843,114	45,772,350		45,772,350	35,556,900		35,556,900
Total authorizations to expend from debt receipts.....	287,033,114	195,772,350		195,772,350	35,556,900		35,556,900
Contract authorizations:							
Housing and Home Finance Agency.....	200,000,000	200,500,000		200,500,000	1,000,000		1,000,000
Department of Commerce.....	2,097,000,000	95,000,000		95,000,000	95,000,000		95,000,000
Department of the Interior.....	419,780	44,420,000		44,420,000	44,420,000		44,420,000
Total contract authorizations.....	2,297,419,780	339,920,000		339,920,000	140,420,000		140,420,000
Total new obligational authority under permanent authorizations.....	9,942,086,537	8,239,650,242		8,239,650,242	8,028,790,630		8,028,790,630
Grand total new obligational authority.....	63,198,268,684	68,952,180,372	1,571,530,700	70,523,711,072	64,740,731,414	8,600,480,000	73,341,211,414

TABLE 6
SUMMARY OF BUDGET EXPENDITURES—IN RELATION TO AUTHORIZATIONS

BY AGENCY

Based on existing and proposed legislation

Description	1956 actual	1957 estimate					Total
		Expenditures from new authorizations			Other expenditures		
		From new obligational authority		From appropriations to liquidate	From balances of prior authorizations	From receipts and balances of revolving and management funds	
		Current	Permanent				
FROM AUTHORIZATIONS ALREADY ENACTED AND RECOMMENDED IN THIS DOCUMENT							
Legislative branch.....	\$84,846,383	\$75,281,258		\$8,652,100	\$24,299,856	\$545,216	\$108,778,430
The judiciary.....	36,682,791	37,539,635			2,225,032		39,764,667
Executive Office of the President.....	9,938,236	10,078,704			670,171		10,748,875
Funds appropriated to the President.....	4,679,540,029	825,387,200			3,312,281,491	338,092,996	4,475,761,687
Independent offices.....	9,626,479,821	6,625,414,224	\$152,750,000		1,388,385,555	1,955,123,086	10,121,672,865
General Services Administration.....	528,688,998	181,222,000	900,000	3,209,000	463,328,508	25,245,332	673,904,840
Housing and Home Finance Agency.....	1,042,892,974	163,257,350		40,000,000	859,321,187	914,092,806	1,976,671,343
Department of Agriculture.....	7,375,503,619	3,707,778,264	40,516,268		1,371,062,040	3,703,653,888	8,823,010,460
Department of Commerce.....	1,320,930,860	414,264,347		56,834,942	166,415,723	30,713,972	668,228,984
Department of Defense—Military Functions.....	35,791,355,994	20,487,338,236	5,772,809		15,850,207,365	* 488,708,083	35,854,610,327
Department of Defense—Civil Functions.....	671,899,563	436,667,364	3,500		208,600,792	96,938,904	742,210,560
Department of Health, Education, and Welfare.....	2,072,897,837	1,850,817,522	9,688,331	678,455	219,438,024	2,370,597	2,082,992,929
Department of the Interior.....	546,408,672	354,858,006	59,034,540	40,524,995	169,969,015	37,693,552	662,080,108
Department of Justice.....	215,953,324	201,864,000			14,398,905	* 2,205,290	214,057,615
Department of Labor.....	413,969,026	* 404,045,808			7,592,813	64,131	411,702,752
Post Office Department.....	2,913,389,976	483,366,500				2,531,904,000	3,015,270,500
Department of State.....	142,039,573	150,666,787	2,262,000		29,658,833	* 160,826	182,426,794
Treasury Department.....	7,940,565,168	597,108,181	7,347,976,137		128,078,759	28,624,768	8,101,787,845
District of Columbia (general fund).....	22,192,700	22,558,650			4,200,000		26,758,650
Gross budget expenditures.....	75,436,175,544	37,029,514,036	7,618,903,585	149,899,492	24,220,134,069	9,173,989,049	78,192,440,231
Deduct applicable receipts.....	8,896,399,360					10,222,200,605	10,222,200,605
Net budget expenditures from authorizations enacted or recommended.....	66,539,776,184	37,029,514,036	7,618,903,585	149,899,492	24,220,134,069	* 1,048,211,556	67,970,239,626
FROM AUTHORIZATIONS PROPOSED FOR LATER TRANSMISSION							
Legislative branch.....							
The judiciary.....		269,200					269,200
Executive Office of the President.....							
Funds appropriated to the President.....							
Independent offices.....		102,029,801				4,771,529	106,801,330
General Services Administration.....		18,380,000					18,380,000
Housing and Home Finance Agency.....		110,387,000		75,000			110,462,000
Department of Agriculture.....		42,272,000					42,272,000
Department of Commerce.....		3,060,000		1,000,000			4,060,000
Department of Defense—Military Functions.....		150,000,000					150,000,000
Department of Defense—Civil Functions.....		235,000					235,000
Department of Health, Education, and Welfare.....		280,727,460					280,727,460
Department of the Interior.....		19,127,600					19,127,600
Department of Justice.....		180,000					180,000
Department of Labor.....		112,100					112,100
Post Office Department.....							
Department of State.....		1,600,000					1,600,000
Treasury Department.....		525,000					525,000
District of Columbia (general fund).....							
Allowance for contingencies.....		200,000,000					200,000,000
Gross budget expenditures from authorizations proposed for later transmission.....		928,905,161		1,075,000		4,771,529	934,751,690
Deduct applicable receipts.....						4,771,529	4,771,529
Net budget expenditures from authorizations proposed for later transmission.....		928,905,161		1,075,000			929,980,161
Net budget expenditures.....	66,539,776,184	37,958,419,197	7,618,903,585	150,974,492	24,220,134,069	* 1,048,211,556	68,900,219,787

* Deduct, excess of repayments and collections over expenditures.

¹ Includes authorizations to expend appropriations of subsequent year in the amount of \$136,626,000.

² Includes authorizations to expend appropriations of subsequent year in the amount of \$26,900,000.

TABLE 6
SUMMARY OF BUDGET EXPENDITURES—IN RELATION TO AUTHORIZATIONS

BY AGENCY

Based on existing and proposed legislation

1958 estimate						Description
Expenditures from new authorizations			Other expenditures		Total	
From new obligational authority		From appropriations to liquidate	From balances of prior authorizations	From receipts and balances of revolving and management funds		
Current	Permanent					
FROM AUTHORIZATIONS ALREADY ENACTED AND RECOMMENDED IN THIS DOCUMENT						
\$80,092,642		\$7,817,000	\$34,354,975	° \$660,000	\$121,604,617	Legislative branch
42,428,720			1,928,200		44,356,920	The judiciary
11,305,683			672,825		11,978,508	Executive Office of the President
21,085,000			3,325,446,095	260,590,350	3,607,121,445	Funds appropriated to the President
6,569,606,006	\$2,720,000		1,507,411,901	911,502,124	8,991,240,031	Independent offices
239,710,000	1,400,000		383,372,682	27,465,488	651,948,170	General Services Administration
161,277,900			403,938,690	1,316,179,566	1,881,396,156	Housing and Home Finance Agency
4,457,553,734	79,191,358		777,086,436	3,130,341,994	8,444,173,522	Department of Agriculture
511,740,493		65,000,000	174,644,220	16,497,465	767,882,178	Department of Commerce
21,359,508,319	5,500,000		16,562,876,681	° 244,159,000	37,683,726,000	Department of Defense—Military Functions
465,033,000	3,500		219,992,037	87,732,200	772,760,737	Department of Defense—Civil Functions
1 2,314,855,908	9,688,331	678,455	309,106,216	2,724,670	2,637,053,580	Department of Health, Education, and Welfare
422,120,431	60,603,004	43,420,000	155,490,364	35,769,870	717,403,669	Department of the Interior
214,321,375			14,050,291	° 2,413,000	225,958,666	Department of Justice
2 412,610,990			5,722,175	94,000	418,427,165	Department of Labor
651,000,000				2,633,021,000	3,284,021,000	Post Office Department
182,612,552	2,260,000		44,661,180	° 19,333	229,514,399	Department of State
653,703,976	7,438,205,776		52,196,223	4,534,199	8,148,640,174	Treasury Department
26,254,450			16,250,000		42,504,450	District of Columbia (general fund)
38,796,821,179	7,599,571,969	116,915,455	23,989,201,191	8,179,201,593	78,681,711,387	Gross budget expenditures
				8,719,122,774	8,719,122,774	Deduct applicable receipts
38,796,821,179	7,599,571,969	116,915,455	23,989,201,191	° 539,921,181	69,962,588,613	Net budget expenditures from authorizations enacted or recommended.
FROM AUTHORIZATIONS PROPOSED FOR LATER TRANSMISSION						
			40,000		40,000	Legislative branch
						The judiciary
						Executive Office of the President
1,100,000,000			60,484,699	23,315,200	1,100,000,000	Funds appropriated to the President
158,843,425			5,200,000		242,643,324	Independent offices
			50,368,000		5,200,000	General Services Administration
4,050,000		725,000	20,992,000		55,143,000	Housing and Home Finance Agency
16,000,000			23,010,000		36,992,000	Department of Agriculture
10,000,000			40,000,000		33,010,000	Department of Commerce
307,000,000			864,000		347,000,000	Department of Defense—Military Functions
10,800,000			1,321,540		11,664,000	Department of Defense—Civil Functions
195,467,500			14,800,400		196,789,040	Department of Health, Education, and Welfare
4,500,000			20,000		19,300,400	Department of the Interior
			5,900		20,000	Department of Justice
3,160,000				654,000,000	3,165,900	Department of Labor
3 584,000,000			350,000		70,000,000	Post Office Department
			175,000		350,000	Department of State
					175,000	Treasury Department
						District of Columbia (general fund)
400,000,000					400,000,000	Allowance for contingencies
1,625,820,925		725,000	217,631,539	677,315,200	2,521,492,664	Gross budget expenditures from authorizations proposed for later transmission.
				677,315,200	677,315,200	Deduct applicable receipts
1,625,820,925		725,000	217,631,539		1,844,177,464	Net budget expenditures from authorizations proposed for later transmission.
40,422,642,104	7,599,571,969	117,640,455	24,206,832,730	° 539,921,181	71,806,766,077	Net budget expenditures

° Deduct, excess of repayments and collections over expenditures.

4 Deduct, includes proposed postal rate increase of \$654,000,000.

1 Includes authorizations to expend appropriations of subsequent year in the amount of \$136,626,000.

2 Includes authorizations to expend appropriations of subsequent year in the amount of \$25,400,000.

TABLE 7
BALANCES AVAILABLE AT START OF YEAR
BY TYPE AND AGENCY

Based on existing and proposed legislation

Description	1956 actual		1957 estimate		1958 estimate		1959 estimate	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
BALANCES OF PRIOR AUTHORIZATIONS FOR EXPENDITURE								
Appropriations enacted or recommended:								
Legislative branch.....	\$22,601,102	\$7,966,354	\$27,167,897	\$7,258,851	\$20,048,800	\$16,167,606	\$12,252,344	\$88,508
The judiciary.....	2,261,599		2,274,641		1,936,109		2,262,309	
Executive Office of the President.....	549,123	96,409	654,999	89,157	666,256	35,000	762,118	
Funds appropriated to the President:								
Mutual security.....	3,663,590,063	48,424,162	3,376,344,452	337,968,576	3,603,207,136	169,482,000	1,789,724,136	
Other.....	9,653,546	16,152,033	9,587,464	23,796,638	13,195,232	10,424,908	18,741,045	500,000
Independent offices:								
Atomic Energy Commission.....	1,130,217,597	755,331,370	975,534,675	375,810,475	1,291,350,150	58,695,000	1,390,972,818	
Veterans Administration.....	99,407,950	113,630,395	89,947,578	129,795,802	80,280,463	147,635,652	111,578,558	111,928,900
Other.....	101,104,568	129,118,636	101,075,960	181,223,892	161,699,609	160,537,254	319,457,518	92,978,296
General Services Administration.....	497,077,428	333,582,982	408,067,599	412,211,708	246,774,464	146,754,230	190,065,231	849,781
Housing and Home Finance Agency.....	576,691	984,000	694,967	2,370,794	1,784,780	1,399,794	2,943,574	
Department of Agriculture.....	140,877,308	310,008,354	164,600,289	253,624,627	155,506,336	219,036,506	188,859,305	180,310,506
Department of Commerce.....	122,659,109	90,257,763	173,138,990	182,691,379	298,607,722	85,293,418	411,153,424	82,688,003
Department of Defense—Military Functions.....	25,193,701,785	18,254,872,462	25,154,070,441	12,340,552,800	27,050,061,076	10,568,355,683	26,738,218,183	7,910,130,610
Department of Defense—Civil Functions.....	112,315,953	37,160,840	146,697,474	104,021,356	212,716,647	56,451,027	260,474,220	5,502,750
Department of Health, Education, and Welfare.....	431,646,332	101,606,353	454,380,776	142,452,066	699,300,278	105,354,729	665,720,688	97,662,821
Department of the Interior.....	134,137,991	75,548,817	131,125,423	96,197,008	168,281,478	49,997,707	218,085,115	23,361,425
Department of Justice.....	22,505,257	302,942	14,405,829	244,901	14,206,739	300,000	20,790,073	
Department of Labor.....	5,277,786	2,000	4,383,691	3,218,552	21,732,553		37,754,388	
Department of State.....	21,536,404	18,503,622	29,020,517	14,225,302	81,012,881	5,006,678	85,595,914	1,265,633
Treasury Department.....	61,548,776	5,171,630	55,068,392	11,247,574	64,066,910	542,490	73,865,216	450,407
District of Columbia (general fund).....		23,487,000		30,887,000		37,387,000		37,198,000
Total balances of appropriations enacted or recommended.....	31,773,246,368	20,322,208,124	31,318,242,054	14,649,888,458	34,186,435,619	11,838,856,682	32,539,276,177	8,544,915,640
Appropriations for later transmission:								
The judiciary.....					40,000			
Funds appropriated to the President:								
Mutual security.....							3,439,482,000	
Independent offices:								
Atomic Energy Commission.....							138,800,000	
Veterans Administration.....					250,000	850,000	200,000	
Other.....					28,474,802	1,108,397	78,656,575	20,000,000
General Services Administration.....					5,200,000			
Housing and Home Finance Agency.....					243,000	90,140,000	465,000	40,000,000
Department of Agriculture.....					7,992,000	10,000,000	5,000,000	
Department of Commerce.....					28,010,000	29,500,000	34,200,000	43,300,000
Department of Defense—Military Functions.....					50,000,000		1,431,431,242	529,468,758
Department of Defense—Civil Functions.....					868,000	275,000	7,984,000	330,000
Department of Health, Education, and Welfare.....					1,321,540		282,077,500	
Department of the Interior.....					14,800,400		2,500,000	
Department of Justice.....					20,000			
Department of Labor.....					8,900		40,000	
Department of State.....					350,000			
Treasury Department.....					175,000			
Total balances of appropriations for later transmission.....					137,750,642	131,873,397	5,420,836,317	633,098,758
Grand total balances of appropriations.....	31,773,246,368	20,322,208,124	31,318,242,054	14,649,888,458	34,324,186,261	11,970,730,079	37,960,112,494	9,178,014,398
Authorizations to expend from debt receipts:								
Funds appropriated to the President.....	663,157,571	625,801,984	798,003,139	340,857,381	837,673,730	332,038,383	745,925,833	366,544,680
Independent offices: Other.....	841,414,777	7,549,429,523	812,295,990	7,593,291,310	1,148,942,640	6,523,292,660	1,274,190,040	5,581,059,960
Housing and Home Finance Agency.....	1,384,753,540	2,645,627,640	1,124,353,971	3,246,070,660	1,507,658,690	2,833,968,434	1,844,089,494	1,958,637,630
Department of Agriculture.....	1,904,190,570	1,160,829,149	1,621,216,252	1,107,635,877	1,617,352,295	603,004,560	1,576,115,816	438,337,559
Treasury Department.....	4,300,058	2,783,399,942	2,714,155	2,820,523,845	2,588,089	2,785,786,911	2,345,089	2,786,254,911
Total balances of authorizations to expend from debt receipts.....	4,797,816,516	14,765,088,238	4,358,583,507	13,893,107,319	5,114,215,444	13,078,090,948	5,442,666,272	11,130,834,740

¹ Deduct:

TABLE 7—Continued
BALANCES AVAILABLE AT START OF YEAR—Continued
BY TYPE AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Description	1956 actual		1957 estimate		1958 estimate		1959 estimate	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
BALANCES OF PRIOR AUTHORIZATIONS FOR EXPENDITURE—Continued								
Authorizations to expend from debt receipts for later transmission:								
Independent offices: Other.....							\$26, 128, 300	\$8, 871, 700
Housing and Home Finance Agency.....						\$350, 000, 000	205, 000, 000	920, 000, 000
Department of Agriculture.....					\$8, 000, 000		9, 000, 000	
Total balances of authorizations to expend from debt receipts for later transmission.....					8, 000, 000	350, 000, 000	240, 128, 300	928, 871, 700
Grand total of balances of authorizations to expend from debt receipts.....	\$4, 797, 816, 516	\$14, 765, 088, 238	\$4, 358, 583, 507	\$13, 893, 107, 319	5, 122, 215, 444	13, 428, 090, 948	5, 682, 794, 572	12, 059, 706, 440
BALANCES OF CONTRACT AUTHORIZATIONS								
Legislative branch.....		44, 246, 000	10, 391, 846	128, 654, 154	10, 040, 205	102, 637, 695	88, 496, 675	14, 603, 325
General Services Administration.....	11, 980, 338	3, 019, 662	2, 659, 869	2, 640, 131		230, 000		
Housing and Home Finance Agency.....	96, 757, 682	336, 242, 318	85, 550, 617	497, 449, 383	206, 725, 617	536, 699, 383	448, 140, 617	295, 559, 383
Department of Agriculture.....		48, 000, 000		24, 000, 000				
Department of Commerce.....	1, 013, 377, 381	872, 744, 332	1, 190, 374, 805	2, 004, 919, 446	67, 120, 433	65, 254, 567	108, 220, 433	54, 154, 567
Department of Defense—Military Functions.....	44, 716, 094	31, 283, 906	18, 428, 000	21, 000, 000				
Department of Health, Education, and Welfare.....	752, 848	2, 682, 352	678, 455	1, 853, 400	678, 455	834, 525	951, 676	561, 304
Department of the Interior.....	7, 206, 879	73, 529, 904	12, 707, 694	39, 774, 919	10, 607, 045	44, 550, 527	12, 157, 572	44, 000, 000
Contract authorizations for later transmission:								
Housing and Home Finance Agency.....								250, 000, 000
Total balances of contract authorizations.....	1, 174, 791, 222	1, 411, 748, 474	1, 320, 791, 286	2, 720, 291, 433	295, 171, 755	750, 256, 697	657, 966, 973	658, 878, 579
BALANCES IN REVOLVING AND MANAGEMENT FUNDS								
(Including U. S. Government securities held)								
Legislative branch.....	7, 591, 779	4, 441, 038	7, 944, 520	3, 792, 632	6, 531, 000	7, 145	4, 541, 000	7, 145
Executive Office of the President.....	10							
Funds appropriated to the President.....	110, 085, 452	300, 000	13, 847, 204		14, 761, 989		15, 510, 468	
Independent offices:								
Veterans Administration.....	119, 892, 142	49, 455, 429	40, 776, 286	181, 895, 300	63, 728, 584	246, 037, 096	137, 875, 677	95, 825, 897
Other.....	92, 397, 569	529, 428, 785	96, 661, 996	501, 792, 652	111, 849, 418	379, 941, 801	51, 398, 297	456, 179, 411
General Services Administration.....	39, 932, 340	17, 701, 217	50, 366, 826	25, 305, 050	48, 795, 393	30, 689, 926	60, 108, 147	41, 744, 568
Housing and Home Finance Agency.....	147, 460, 371	341, 505, 287	193, 086, 796	390, 447, 956	198, 924, 906	492, 392, 462	175, 626, 318	604, 021, 589
Department of Agriculture.....	30, 925, 635	66, 957, 664	29, 248, 282	57, 932, 564	24, 735, 234	62, 413, 185	26, 729, 890	81, 361, 625
Department of Commerce.....	2, 826, 562	40, 345, 152	479, 889	35, 377, 191	1, 222, 132	32, 388, 645	2, 382, 449	43, 248, 105
Department of Defense—Military Functions.....	754, 923, 447	4, 037, 504, 199	285, 031, 922	2, 948, 176, 440	294, 223, 804	2, 308, 128, 771	133, 860, 727	2, 242, 495, 694
Department of Defense—Civil Functions.....	61, 596, 198	23, 164, 782	45, 525, 106	30, 556, 188	45, 184, 411	27, 418, 315	47, 018, 700	22, 469, 026
Department of Health, Education, and Welfare.....	705, 152	1, 574, 068	288, 095	1, 364, 430	375, 549	1, 359, 723	401, 521	1, 370, 472
Department of the Interior.....	11, 396, 744	14, 631, 706	10, 014, 151	21, 795, 355	10, 909, 000	14, 635, 869	11, 828, 617	12, 967, 850
Department of Justice.....	7, 286, 363	12, 629, 560	6, 183, 348	9, 733, 001	6, 138, 000	9, 642, 943	6, 136, 000	9, 653, 943
Department of Labor.....	553, 492	1, 894, 580	667, 202	639, 551	622, 616	495, 006	562, 616	764, 006
Post Office Department.....	206, 044, 250	88, 493, 493	191, 579, 513	22, 189, 957	215, 531, 000	7, 000, 000	224, 273, 000	7, 000, 000
Department of State.....	289, 115	263, 257	206, 611	134, 819	462, 485	43, 350	525, 168	
Treasury Department.....	7, 755, 523	115, 870, 371	14, 985, 721	53, 543, 727	15, 271, 762	10, 997, 294	13, 665, 303	7, 062, 875
Total balances in revolving and management funds.....	77, 242, 524	5, 315, 758, 154	404, 462, 928 ^e	4, 234, 066, 713	458, 534, 675	3, 562, 211, 679	632, 450, 444	3, 542, 683, 070
Allowance for contingencies.....					50, 000, 000		150, 000, 000	
Total balances available at start of year.....	37, 823, 096, 630	41, 814, 802, 990	37, 402, 079, 775	35, 497, 353, 923	40, 250, 108, 135	29, 711, 289, 403	45, 083, 324, 483	25, 439, 282, 487

^e Deduct, excess of receivables over obligations.

^f Deduct, excess of obligations over cash and receivables.

INTRODUCTION TO PART II

Part II contains the details of the budget for Federal funds, including various types of tables and schedules, explanatory statements of the work to be performed and the money needed, and the text of the language proposed for enactment by Congress on each item of authorization. Included herein is also material on funds of the municipal government of the District of Columbia, and a few other trust funds which require congressional action. The contents of part II are arranged in chapters reflecting the organization of the Government.

SUMMARIES OF BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

At the beginning of each chapter a table in large type summarizes budget authorizations available, and a second table summarizes expenditures and other dispositions of the amounts available. Both tables segregate the items proposed for formal transmission to Congress later as supplemental estimates from those items already enacted or formally recommended in this document.

Summary of budget authorizations available.—This summary indicates the totals of each type of new obligational authority for the year, the totals of the various types of balances brought forward into the year, and any interchapter transfers or net upward adjustments of budget authorizations. The various types of authorizations are explained in the introduction to part I (pp. A2 and A3).

Summary of expenditures and balances.—This summary indicates the total expenditures for the chapter, the portion of the unspent available amounts which ceases to be available during or at the close of the year, and the balances carried forward into the next year.

For the years 1957 and 1958, there are estimated the portion of the expenditures which will come out of appropriations or other authorizations granted by Congress for that year, and the portion which will come from permanent authorizations and from balances of prior authorizations brought into the year. Additional entries are used where required for expenditures which will come from appropriations made to liquidate prior contract authorizations, and for expenditures from balances and receipts of revolving and management funds. Because old and new authorizations are commingled in some accounts, no attempt is made in the summary figures to separate actual spending in 1956 between old and new authorizations.

In preparing the estimates for 1957 and 1958, it is generally assumed that prior year balances available in commingled accounts will be obligated before the new authorizations are obligated, and that expenditures will reflect the liquidation of those obligations on the basis of previous experience. Where the obligation and expenditure are simultaneous, the first-in, first-out method is used to assign expenditures between old and new authorizations. In the case of revolving funds where budgetary authorizations are commingled with receipts, it is assumed that authorizations are expended in an amount equal to the sums placed in the revolving fund during the year, and that the remaining expenditures or net collections are a charge or credit to balances of the fund.

Summaries of balances.—At the bottom of the foregoing summaries, there is given (a) a further analysis of the authorization balances which are carried forward each year, indicating the respective amounts which are obligated and unobligated; and (b) a further analysis of the amounts written off or otherwise ceasing to be available each year, indicating the manner of writeoff.

STATEMENT OF AUTHORIZATIONS AND EXPENDITURES BY ORGANIZATION UNIT AND ACCOUNT TITLE

A summary listing of the organization units in each chapter shows the new obligational authority and expenditures for each. The detailed listing which follows is divided in several sections: Current authorizations (other than those for revolving and management funds), permanent authorizations, revolving and management funds, and supplemental items proposed for later transmission.

Types of authorizations other than appropriations are set forth under the applicable appropriation titles, identified by separate stub entries. Functional code numbers appear in a separate column, indicating the category in the functional tables (special analyses C and L of part IV) where each item has been included.

Two deductions appear at the end of the table. One deduction, in the authorization column, covers the appropriations which are to liquidate contract authorizations and hence to be excluded in arriving at new obligational authority. The other deduction, in the expenditure column, is for receipts of public enterprise funds, to be subtracted in arriving at net budget expenditures.

A separate double-page table is used for revolving and management funds. Appropriations and other budgetary authorizations to use general fund money for revolving funds are shown in this section. It also shows the total amounts provided by operations, the total amounts applied to operations, and the net expenditures (which is the difference between the two other figures).

INTERAGENCY FINANCIAL TRANSACTIONS

For funds appropriated to the President and other appropriations which are allocated by one agency to another for construction, for major procurement, for services to be carried on beyond the year, or for services which by mutual agreement are to be so handled, the amount so allocated is accounted for separately by the receiving agency. The use of the money is shown in a section of the budget under the parent account, rather than in the portion of the budget for the receiving agency.

Most other payments between agencies are accounted for in consolidated working funds or as reimbursements to appropriations. Each such payment is included in an appropriate object class of the parent account and the use of such advances and reimbursements is regularly shown in a separate schedule of the receiving agency. Such schedules of advances and reimbursements are budgeted like management funds. In a few cases where interagency payments are significant in determining the appropriation needs of the receiving agency, the reimbursements are shown in the appropriation schedule of the receiving agency instead of in separate schedules.

DETAILED MATERIAL

The schedules used for most general and special fund appropriations are explained on page 3, and the business-type statements used for many revolving funds are explained on page 4. Special explanations appear on page 5 for the cost-type budget presentations which are being increasingly used, and for a variation of the business-type statements on the source and application of funds. Some additional minor variations, not illustrated, are used for management funds and for intragovernmental revolving funds.

EXPLANATORY ILLUSTRATION OF BUDGETS FOR GENERAL AND SPECIAL FUND ACCOUNTS

APPROPRIATION LANGUAGE

The language proposed for inclusion in the 1958 appropriation acts is printed at the head of each item requiring action. The language of the 1957 appropriation acts is used as a base. Immediately following the language are citations to relevant laws and the appropriations from which the text is taken.

Salaries and Expenses, Mexican Farm Labor Program, Bureau of Employment Security

Salaries and expenses, Mexican farm labor program: For expenses, not otherwise provided for, necessary to carry out the functions of the Department of Labor under the Act of July 12, 1945 (Public Law 78) (65 Stat. 119), as amended, including temporary employment of persons without regard to the civil service laws, \$2,125,000. (7 U. S. C. 1461-1468; International Executive Agreement, Aug. 17, 1951, as amended; 67 Stat. 506; Department of Labor Appropriation Act, 1957.)

Appropriated 1957, \$2,125,000 Estimate 1958, \$2,683,000

* Includes \$26,400 for activities previously carried under "Salaries and expenses, Office of the Secretary of Labor."
Excludes \$43,300 for activities transferred in the estimates as follows:
"Salaries and expenses, Office of the Secretary of Labor"..... \$15,800
"Salaries and expenses, Office of the Solicitor, Labor"..... 27,500
The amounts obligated in 1956 and 1957 are shown in the schedule as comparative transfers.

Roman type shows the text used in the 1957 appropriation acts.

Italic type indicates proposed new language and figures.

Brackets enclose material which it is proposed to omit in 1958.

PROGRAM AND FINANCING

In the section for program by activities, obligations are broken down by purpose, program, project or activity. This breakdown, especially tailored for each agency and account, reflects the particular duties and responsibilities for which it receives money.

The financing section explains the method of financing the program and the disposition of amounts not used during the year.

PROGRAM AND FINANCING			
	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Determining Mexican labor requirements.....	\$44,582	\$48,700	\$56,000
2. Supplying Mexican labor requirements.....	1,190,285	1,230,200	1,528,300
3. Determining compliance with contract provisions.....	331,536	388,900	634,700
4. Farm labor analysis.....	22,546	23,800	25,300
5. Management and administrative services.....	201,571	216,400	242,700
6. Field direction.....	151,253	183,500	198,000
Total obligations.....	1,941,773	2,109,500	2,683,000
Financing:			
Comparative transfers to other accounts.....	15,191	24,500	
Unobligated balance no longer available.....	36		
Appropriation (adjusted).....	1,957,000	2,125,000	2,683,000

Obligations refer to orders placed, contracts awarded, and services received during the year, regardless of the time of payment. Appropriations or other obligatory authority must be provided by the Congress before obligations can be incurred.

Comparative transfers represent obligations which were financed from one account during 1956 and 1957 but are financed from another account in 1958. Such obligations are omitted from the program by activities in the schedule for the first account and are added to the schedule for the other, to make all 3 years comparable for both accounts. This entry represents the net amount of such transfers.

Balance which expired for obligation purposes at the end of the year, and which is no longer available for expenditure.

Headings in the narrative statements usually agree with the schedules of obligations by activities.

NARRATIVE STATEMENTS

The work planned and services proposed to be carried out are described briefly under each appropriation or fund. Where practicable the narrative statements indicate the expected accomplishment in relation to the financial estimates and give some measures of program and performance. In the case of permanent appropriations, the narrative statements also explain the source of the money and the statutory basis for the appropriation.

PROGRAM AND PERFORMANCE
Mexican agricultural labor is imported for use in areas having a shortage of domestic agricultural workers. Authorization for this program was extended to June 30, 1959, by the act of August 9, 1955 (69 Stat. 615).

2. *Supplying Mexican labor requirements.* Workers are recruited in Mexico and transported to centers in the United States where employers contract for their use. In 1956, 428,416 workers were contracted, and an estimated 480,000 will be contracted in 1957 and 490,000 in 1958. To increase the number of workers in 1957, a supplemental appropriation will be proposed. Direct costs such as transportation, subsistence, medical examinations, etc., are charged to the revolving fund. The overall cost, including revolving fund expenses, for supplying a Mexican agricultural worker averaged \$11.16 in 1956 and is estimated to be \$11.73 in 1957 due to a general increase in costs of transportation, subsistence, and rents.

3. *Determining compliance with contract provisions.* Complaints of contract violations are investigated, and housing and other facilities required by the contract are inspected. Inspections will be increased and enforcement strengthened in 1958.

	1956 actual	1957 estimate	1958 estimate
Complaints.....	4,540	6,100	
Housing and facilities inspections.....	2,463	6,800	10,000

Permanent positions are those of a full-time nature which are of indefinite duration. Some are filled by persons with temporary appointments.

This entry represents the number of (a) full-time and regularly scheduled part-time employees in pay status on the last workday in June and (b) intermittent employees who work at any time during June. This is the basis for reports to the Civil Service Commission.

Average salaries and grades are computed arithmetically. The average salary may fall either within or outside the salary range of the average grade.

Beginning in July 1957, employing appropriations will pay into the Civil Service Retirement and Disability Fund a sum equal to the employee's regular contribution—6½% of basic salaries of covered employees.

The obligated balance brought forward (plus the unobligated balance if it is still available for obligation) is a part of the balance available at the start of the year shown in the chapter summary data.

During the fiscal year 1957, there are being restored to the agency accounts from a central account in Treasury whatever sums are needed to cover unpaid obligations remaining against accounts which expired prior to 1955.

This is an example where successive annual appropriations are made. If appropriations of two or more years were merged under the law, a single figure would appear in this column for expenditures out of both current and prior authorizations.

This entry includes savings which occur because actual payments on obligations of prior years are less than amounts previously reported as obligations.

OBLIGATIONS BY OBJECTS

There is shown for each account a summary of personal services and a classification of the obligations according to a uniform list of objects. These object classes, numbered from 01 to 16, reflect the nature of the things or services purchased, regardless of the purpose or the nature of the program for which they are used.

OBLIGATIONS BY OBJECTS			
	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	225	432	389
Full-time equivalent of all part positions.....	176	301	102
Average number of all employees.....	390	394	402
Number of employees at end of year.....	345	376	441
Average salaries and grades:			
General schedule grades.....			
Average salary.....	\$5,205	\$4,773	\$4,861
Average grade.....	GS-7.5	GS-6.6	GS-6.9
01 Personal services.....			
Permanent positions.....	\$1,050,520	\$1,438,100	\$1,758,428
Positions other than permanent.....	492,487	223,400	209,600
Regular pay above 52-week base.....	3,175		7,072
Payment above basic rates.....	61,503	79,300	79,800
Total personal services.....	1,607,685	1,740,800	2,104,900
02 Travel.....	170,679	203,300	298,644
03 Transportation.....	6,179	7,000	330
04 Communication services.....	57,029	57,000	65,640
05 Rents and utility services.....	7,964	10,600	13,800
06 Printing and reproduction.....	7,060	6,800	11,600
07 Other contractual services.....	43,529	45,200	47,390
08 Supplies and materials.....	9,417	10,600	11,600
09 Equipment.....	7,240	8,100	9,200
10 Grants, subsidies, and contributions.....			110,200
11 Taxes and assessments.....	18,711	4,600	5,200
Total obligations.....	1,941,773	2,109,500	2,683,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

This schedule shows total budget authorizations available during the year and their disposition as between expenditures, balances carried forward and balances ceasing to be available.

Expenditures during the year are distributed between those which come from authorizations of the same year, here called current authorizations (whether of a permanent or nonpermanent nature) and those which come from authorizations of a prior year. Proposed supplemental appropriations for both 1957 and 1958 are shown in separate schedules at the end of the chapter.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES			
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$1,785,000	\$2,125,000	\$2,683,000
Transferred from "Compensation for employment security" (70 Stat. 170, 182).....	172,000		
Adjusted appropriation.....	1,957,000	2,125,000	2,683,000
Obligated balance brought forward.....	132,579	91,531	105,900
Restored from certified claims account.....		451	
Total budget authorizations available.....	2,089,579	2,216,982	2,788,900
EXPENDITURES AND BALANCES			
Expenditures.....			
Out of current authorizations.....	1,865,454	2,093,100	2,540,300
Out of prior authorizations.....	108,536	91,962	105,900
Total expenditures.....	1,973,990	2,111,062	2,655,200
Balance no longer available.....	36		
Unobligated (expiring for obligations).....	24,033		
Other.....	91,511	105,900	133,700
Obligated balance carried forward.....			
Total expenditures and balances.....	2,089,579	2,216,982	2,788,900

EXPLANATORY ILLUSTRATION OF BUSINESS-TYPE BUDGETS FOR REVOLVING FUNDS

STATEMENT OF SOURCES AND APPLICATION OF FUNDS

This is a balanced presentation of the amounts becoming available during the year, either in the form of cash or other working capital, and the way in which those amounts have been used.

The statement excludes depreciation, losses on loans, and other transactions which affect neither cash nor other current assets and liabilities. It does reflect transactions which affect cash, accounts receivable, accounts payable, other accrued liabilities, inventories of supplies for administrative purposes, deferred charges and credits.

Both the funds applied and the funds provided parts of the statement are divided between "operations" and Treasury "financing."

For Intergovernmental funds, net expenditures (the sum of amounts applied to operations, less amounts provided by operations) are included in budget expenditures.

For public enterprise funds, the total amount applied to operations is included in gross budget expenditures. The sum of amounts provided by operations for such funds make up the deduction (for applicable receipts) used in arriving at net budget expenditures.

A. STATEMENT OF SOURCES AND APPLICATION OF FUNDS

	1956 actual	1957 estimate	1958 estimate
FUNDS APPLIED			
To operations:			
Acquisition of assets: Equipment.....	\$35,432	\$50,000	
Expense.....	8,426,099	13,912,949	\$12,079,000
Increase in selected working capital.....		603,785	43,834
Total applied to operations.....	8,461,531	14,566,734	12,124,834
To financing:			
Payment of earnings to Treasury.....	8,793	7,071	
Repayment of principal to Treasury.....	22		118,166
Increase in cash with Treasury.....			118,166
Total applied to financing.....	8,815	7,071	118,166
Total funds applied.....	8,470,346	14,573,805	12,243,000
FUNDS PROVIDED			
By operations:			
Income: Sales of services.....	8,302,420	13,500,000	12,243,000
Decrease in selected working capital.....	40,814		
Total provided by operations.....	8,343,234	13,500,000	12,243,000
By financing:			
Decrease in cash with Treasury.....	127,112	1,073,805	
Total funds provided.....	8,470,346	14,573,805	12,243,000
BUDGET EXPENDITURES			
Funds applied to operations.....	8,461,531	14,566,734	12,124,834
Funds provided by operations.....	8,343,234	13,500,000	12,243,000
Net budget expenditures.....	118,297	1,066,734	-118,166
The above are charged or credited (-) to net receipts of the fund.....	118,297	1,066,734	-118,166

If the enterprise acquires materials for manufacture or sale, purchases for manufacture or sale are included in expenses in this statement, whether or not the materials are used within the year.

Selected working capital items comprise the current assets (other than cash with Treasury, inventories for sale or manufacture, and without deducting any valuation allowances) less the current liabilities (other than reserves).

Net budget expenditures include the spending of appropriations for the revolving fund as well as the spending of the fund's own receipts. A negative figure here indicates collections in excess of expenditures.

STATEMENT OF INCOME AND EXPENSE

This is a statement of the income and expense and the resulting profit or loss for the year. This statement is normally on a full accrual basis, including in the expense sums for depreciation and provision for losses on receivables. It also indicates losses and chargeoffs when they occur. In addition, gains or losses from the sale of equipment or other assets appear here.

At the bottom of this statement there is an analysis of the retained earnings or cumulative deficit, showing any additions to it during the year, any charges made against it, and the balance of the end of the year.

B. STATEMENT OF INCOME AND EXPENSE			
Income: Sales of services.....	\$8,302,420	\$13,500,000	\$12,243,000
Expense:			
Salaries.....	6,834,544	11,280,680	9,322,192
Travel.....	1,117,694	1,844,700	1,510,217
Other expense.....	453,961	787,569	1,246,591
Subtotal.....	8,406,199	13,912,949	12,079,000
Increase (+) or decrease (-) in work-in-process inventory.....	-196,696	-484,149	87,500
Cost of services sold, excluding depreciation.....	8,229,403	13,428,500	12,166,500
Depreciation on equipment.....	65,946	71,500	76,500
Cost of services sold.....	8,295,349	13,500,000	12,243,000
Net income for the year.....	7,071		
ANALYSIS OF RETAINED EARNINGS			
Retained earnings, beginning of year.....	8,793	7,071	
Payment of earnings to Treasury (-).....	-8,793	-7,071	
Retained earnings, end of year.....	7,071		

If the enterprise sells stocks or products, the cost of goods sold, rather than purchases, is considered an expense in this statement.

Depreciation and other expense not shown on the Statement of sources and application of funds are indicated separately.

This entry agrees with the balance sheet. It represents cumulative profits kept in the enterprise, whether in the form of cash, inventories, receivables, or fixed assets.

STATEMENT OF FINANCIAL CONDITION

This is a balance sheet of assets, liabilities, and investment of the Government at the close of the fiscal year. Like the other statements, it is normally on an accrual basis.

When interest is paid on part or all of the investment of the U. S. Government, this section is broken down to indicate the amount which has been invested by the Government on which the fund pays interest, the amount invested on which the fund does not pay interest, and the retained earnings or deficit.

C. STATEMENT OF FINANCIAL CONDITION			
ASSETS			
Current assets:			
Cash with Treasury.....	\$3,544,935	\$2,471,130	\$2,589,296
Accounts receivable.....	1,012,704	1,742,500	1,585,375
Work-in-process inventory.....	477,926	962,375	874,875
Prepaid expense.....	177	500	500
Total current assets.....	5,035,742	5,176,505	5,059,046
Fixed assets:			
Equipment.....	450,702	500,702	500,702
Less portion charged off as depreciation.....	243,892	315,392	391,892
Net fixed assets.....	206,810	185,310	108,810
Total assets.....	5,242,552	5,361,815	5,167,856
LIABILITIES			
Current liabilities.....	1,235,481	1,361,815	1,158,856
INVESTMENT OF U. S. GOVERNMENT			
Non-interest-bearing investment:			
Appropriation.....	4,000,000	4,000,000	4,000,000
Retained earnings.....	7,071		
Total investment of U. S. Government.....	4,007,071	4,000,000	4,000,000
Total liabilities and investment of U. S. Government.....	5,242,552	5,361,815	5,167,856

This entry represents cash on deposit with the Treasury. If the fund has any cash in commercial banks, it is also included here. It excludes any balances of appropriations (or other authorizations) which have not yet been paid into the fund.

"Liabilities" normally means what is owed for goods and services which have been received. The remainder of the obligations outstanding, covering items on order which have not yet been received, is shown in the statement of balances illustrated below.

The investment of the U. S. Government indicates the Government's interest as owner, plus the Government's interest as creditor in the form of notes payable to the Treasury where a Government corporation has authorization to borrow on such notes.

STATUS OF CERTAIN FUND BALANCES

This is an analysis of the undisbursed balances, showing the portion that is obligated and the remainder (which is unobligated). Obligations are generally computed in the same manner as for appropriation accounts; they include both current liabilities and commitments not yet matured into liabilities and they reflect a deduction for accounts receivable.

D. STATUS OF CERTAIN FUND BALANCES			
	1956 actual	1956 actual	1957 estimate
Unexpended balance:			
Cash with Treasury.....	\$3,672,047	\$3,544,935	\$2,471,130
Net obligations outstanding:			
Current liabilities.....	937,509	1,235,481	1,361,815
Obligations other than liabilities: Unfilled purchase orders.....	24,567	37,445	20,000
Accounts receivable (-).....	-735,465	-1,012,704	-1,742,500
Accepted orders on hand.....	-281,230	-477,926	-962,375
Net obligations outstanding.....	-74,619	-217,504	-1,293,060
Unobligated portion of certain fund balances.....	3,746,668	3,762,439	3,764,190
			3,840,690

Obligations other than liabilities consist of undelivered orders, unperformed contracts, loan agreements, and other lawful obligations which have not yet become current liabilities.

For intergovernmental revolving funds, accepted orders on hand which are legal obligations to the ordering appropriation or fund are deducted here in arriving at net obligations outstanding, avoiding duplication in totals for the Government.

EXPLANATORY ILLUSTRATION OF A COST-TYPE BUDGET PRESENTATION

PROGRAM AND FINANCING

In cost-type budgets, the figures opposite activities represent the goods and services consumed for operating costs in carrying out the program and the value of capital assets received as a result of purchases. The difference between these amounts and the obligations incurred is shown in a separate entry, and explained in a subsidiary schedule, as illustrated below.

This type of budget is used only where the accounting system provides for the separate recording of inventories, advances, undelivered orders, etc., and for the charging of applied costs to activities.

In those cases where the program is principally for procurement or public works, additional columns are shown to make a more complete presentation of the significant facts.

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Educational assistance, facilities and services.....	\$38,562,136	\$43,219,837	\$50,735,837
2. Welfare and guidance services.....	3,712,098	3,792,000	4,954,000
3. Reclamation services.....	974,475	3,472,000	3,541,000
4. Maintaining law and order.....	418,463	836,000	929,000
Total program costs.....	43,666,172	51,319,837	60,159,837
5. Relation of costs to obligation: Cost financed from obligations of other years, net (-).....	-284,658	-599,617	-599,837
Total program (obligations).....	43,381,514	50,720,220	59,560,000
Financing:			
Contract authorization (48 U. S. C. 564-1).....	-419,780	-420,000	-420,000
Applied to contract authorization (48 U. S. C. 564-1).....	397,495	419,780	420,000
Unobligated balance no longer available.....	365,766		
Appropriation.....	43,655,995	50,720,000	59,560,000

The computation of this entry is explained in a subsidiary schedule in the narrative statement (see illustration below).

The treatment of capital items will vary according to the accounting practices followed by the agencies. In some cases depreciation is taken into costs, and in these cases there will be a separate deduction to arrive at obligations.

5. Relation of costs to obligations.—The relationship is derived from year-end balances of selected resources and applicable adjustments as reflected in the following table.

	1955 actual	1956 actual	1957 estimate	1958 estimate
Selected resources at end of year:				
Inventories and items on order.....				
Stores (goods unexpended by projects).....	\$389,555	\$400,327	\$400,327	\$400,327
Undelivered orders (appropriation balances obligated for goods and services on order not yet received).....	2,126,017	1,889,227	1,852,842	1,835,492
Advances (payments for goods and services on order not yet received).....	20,259	27,763	27,763	27,763
Work in process (goods and services to be costed to activities when completed).....	510	2,131	2,131	2,131
Total selected resources at end of year.....	2,536,341	2,319,448	2,283,063	2,265,713
Selected resources at start of year (-).....	-2,536,341	-2,319,448	-2,283,063	-2,265,713
Adjustments of selected resources reported at start of year.....	447,653			
Increase or decrease (-) in selected resources.....	230,760	-36,385	-17,350	
Property or services transferred in (-) without charge, net.....	-514,418	-565,232	-582,487	
Costs financed from obligations of other years, net (-).....	-284,658	-599,617	-599,837	

This entry covers cancellation or repricing of undelivered orders, and similar adjustments.

Annual leave of employees is an obligation under appropriations only when it is taken or paid. In the cases where it is included in appropriation costs as it occurs, the change in undrawn leave will be shown here.

This entry usually relates to items entering into the costs of the programs of this appropriation, but financed by some other appropriation.

RELATION OF COSTS TO OBLIGATIONS

This statement shows the balances at the start and end of the past, current, and budget years for those agency accounts which represent obligations incurred that have not yet matured into costs. It also covers other factors in the "bridge" between costs and obligations.

EXPLANATORY ILLUSTRATION OF AN ALTERNATIVE FOR ONE OF THE REVOLVING FUND SCHEDULES

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

This schedule replaces the Statement of sources and application of funds illustrated on the preceding page, but in addition contains balances (both obligated and unobligated) at the start and end of the year.

When this form of schedule is used the other two statements illustrated on the preceding page are condensed considerably, and a program and financing schedule is added.

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE			
Receipts from operations:			
Sale of excess fiber.....	\$4,006,093	\$1,400,000	\$1,960,000
Sale of land, structures, and equipment.....	236,431		
Other income.....	2,504		
Decrease in selected working capital.....	36,328	27,580	
Total receipts from operations.....	4,281,356	1,427,580	1,960,000
Balance brought forward:			
Unobligated.....	4,354,595	5,296,214	3,508,839
Obligated.....	701,445	867,006	813,661
Total budget authorizations and receipts available.....	9,337,396	7,590,800	6,342,500
EXPENDITURES AND BALANCES			
Gross budget expenditures:			
Acquisition of land, structures, and equipment.....	73,184	240,000	75,000
Production cost.....	2,297,313	2,458,550	2,838,100
Administrative expense.....	115,001	100,000	84,500
Other operating expense.....	655,134	409,650	125,000
Adjustment of prior year expense.....	83,484		
Total gross budget expenditures.....	3,234,176	3,208,300	3,152,600
Balance carried forward:			
Unobligated.....	5,296,214	3,568,839	2,376,239
Obligated.....	867,006	813,661	813,661
Total expenditures and balances.....	9,397,396	7,590,800	6,342,500
BUDGET EXPENDITURES			
Gross budget expenditures.....	3,234,176	3,208,300	3,152,600
Receipts from operations.....	4,281,356	1,427,580	1,960,000
Net budget expenditures (out of balances and receipts of the fund).....	-1,047,180	1,780,720	1,192,600

Because individual lines for receipts and expenditures are stated on an accrual basis, this line reflects the net adjustment to a cash basis.

Unexpended balances relate to cash and, where applicable, investments in U. S. securities and unused balances of budgetary authorizations. The split between obligated and unobligated balances is in accordance with the method shown at the bottom of the preceding page.

DEPARTMENT OF AGRICULTURE
SUMMARY OF BUDGET AUTHORIZATIONS AVAILABLE

	1956 actual	1957 estimate	1958 estimate
NEW OBLIGATIONAL AUTHORITY			
Enacted or recommended in this document:			
Current authorizations:			
Appropriations.....	\$994,851,339	\$2,128,760,718	\$4,346,342,617
Reappropriations.....	364,799	53,619	-----
Authorizations to expend from debt receipts.....	2,408,100,000	3,480,385,000	484,350,000
Total new obligational authority under current authorizations.....	3,403,316,138	5,609,199,337	4,830,692,617
Permanent authorizations: Appropriations.....	194,296,990	243,335,063	301,862,400
Total new obligational authority enacted or recommended.....	3,597,613,128	5,852,534,400	5,132,555,017
Proposed for later transmission:			
Appropriations.....	-----	7,264,000	-----
Authorizations to expend from debt receipts.....	-----	26,000,000	25,000,000
Total new obligational authority proposed for later transmission.....	-----	33,264,000	25,000,000
Grand total new obligational authority.....	3,597,613,128	5,885,798,400	5,157,555,017
BALANCES AND OTHER AMOUNTS AVAILABLE			
Balances brought forward at start of year from—			
Appropriations enacted.....	450,885,662	418,224,916	374,542,842
Appropriations proposed for later transmission.....	-----	-----	17,992,000
Authorizations to expend from debt receipts.....	3,065,019,719	1,513,580,375	2,220,356,855
Authorizations to expend from debt receipts proposed for later transmission.....	-----	-----	8,000,000
Contract authorizations.....	48,000,000	24,000,000	-----
Revolving and management funds.....	97,883,299	87,180,846	87,148,419
Other amounts available:			
Restored from certified claims account.....	-----	809,219	-----
Appropriations available in prior years (—).....	-----	—987,445	-----
Appropriations available from subsequent year.....	987,445	-----	-----
Total balances and other amounts available.....	3,662,776,125	2,042,807,911	2,708,040,116
Total budget authorizations available.....	7,260,389,253	7,928,606,311	7,865,595,133

SUMMARY OF BALANCES AVAILABLE AT START OF YEAR

	1956		1957		1958		1959	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
Balances of prior authorizations for expenditure:								
Appropriations enacted or recommended.....	\$140,877,308	\$310,008,354	\$164,600,289	\$253,624,627	\$155,506,336	\$219,036,506	\$188,859,305	\$180,310,506
Appropriations proposed for later transmission.....	-----	-----	-----	-----	7,992,000	10,000,000	5,000,000	-----
Authorizations to expend from debt receipts.....	1,904,190,570	1,160,829,149	1,621,216,252	¹ 107,635,877	1,617,352,295	603,004,560	1,576,115,816	438,337,559
Balances of authorizations to expend from debt receipts proposed for later transmission.....	-----	-----	-----	-----	8,000,000	-----	9,000,000	-----
Balances of contract authorizations.....	-----	48,000,000	-----	24,000,000	-----	-----	-----	-----
Balances in revolving and management funds (including U. S. Government securities held).....	30,925,635	66,957,664	29,248,282	57,932,564	24,735,234	62,413,185	26,729,890	81,361,625
Total balances available at start of year.....	2,075,993,513	1,585,795,167	1,815,064,823	227,921,314	1,813,585,865	894,454,251	1,805,705,011	700,009,690

¹ Deduct.

DEPARTMENT OF AGRICULTURE
SUMMARY OF EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES			
From new authorizations enacted or recommended in this document:			
Out of new obligational authority:			
Current authorizations.....		\$3, 707, 778, 264	\$4, 457, 553, 734
Permanent authorizations.....		40, 516, 268	79, 191, 358
Total expenditures from new authorizations enacted or recommended.....		3, 748, 294, 532	4, 536, 745, 092
From authorizations proposed for later transmission:			
Out of current authorizations.....		42, 272, 000	16, 000, 000
Out of balances of prior expenditure authorizations.....	\$7, 375, 503, 619	20, 992, 000	20, 992, 000
Total expenditures from authorizations proposed for later transmission.....		42, 272, 000	36, 992, 000
Other expenditures:			
Out of balances of prior expenditure authorizations.....		1, 371, 062, 040	777, 086, 436
Out of receipts and balances of revolving and management funds.....		3, 703, 653, 888	3, 130, 341, 994
Total other expenditures.....		5, 074, 715, 928	3, 907, 428, 430
Gross budget expenditures.....	7, 375, 503, 619	8, 865, 282, 460	8, 481, 165, 522
Deduct receipts of public enterprise funds.....	2, 198, 502, 775	3, 713, 616, 998	3, 151, 285, 090
Net budget expenditures.....	5, 177, 000, 844	5, 151, 665, 462	5, 329, 880, 432
BALANCES NOT EXPENDED			
Balances no longer available.....	40, 402, 272	68, 900, 733	30, 000, 000
Balances carried forward at close of year in—			
Appropriations enacted or recommended.....	418, 224, 916	374, 542, 842	369, 169, 811
Appropriations proposed for later transmission.....		17, 992, 000	5, 000, 000
Authorizations to expend from debt receipts.....	1, 513, 580, 375	2, 220, 356, 855	2, 014, 453, 375
Authorizations to expend from debt receipts proposed for later transmission.....		8, 000, 000	9, 000, 000
Contract authorizations.....	24, 000, 000		
Revolving and management funds.....	87, 180, 846	87, 148, 419	108, 091, 515
Total balances carried forward at close of year.....	2, 042, 986, 137	2, 708, 040, 116	2, 505, 714, 701
Net expenditures and balances.....	7, 260, 389, 253	7, 928, 606, 311	7, 865, 595, 133

SUMMARY OF BALANCES NO LONGER AVAILABLE

	1956 actual	1957 estimate	1958 estimate
Balances expiring and lapsing and adjustment of balances downward (net).....	\$40, 402, 272	\$68, 900, 733	\$30, 000, 000

BUDGET AUTHORIZATIONS AND EXPENDITURES

BY ORGANIZATION UNIT AND ACCOUNT TITLE

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)			EXPENDITURES (from prior year and new authorizations)		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
RECAPITULATION BY ORGANIZATION UNIT							
Agricultural Research Service.....		\$109,116,324	\$157,348,281	\$159,380,368	\$116,215,353	\$139,410,920	\$167,775,459
Extension Service.....		48,120,000	54,029,000	64,130,000	47,573,665	53,901,000	64,131,000
Farmer Cooperative Service.....		427,000	550,000	578,000	430,666	468,300	567,300
Forest Service.....		130,506,694	153,871,950	174,183,400	129,666,972	151,894,955	173,374,800
Soil Conservation Service.....		84,950,000	97,232,000	112,615,000	82,951,016	93,083,000	111,150,000
Agricultural Conservation Program Service.....		214,500,000	227,500,000	237,000,000	215,161,153	228,000,000	240,000,000
Great Plains conservation program.....				20,000,000			5,766,000
Agricultural Marketing Service.....		271,466,605	323,910,628	351,583,949	287,477,765	372,455,300	376,598,109
Foreign Agricultural Service.....		3,445,000	3,750,000	4,383,500	3,555,973	3,736,996	4,299,000
Commodity Exchange Authority.....		775,000	787,400	832,000	785,304	787,000	830,000
Soil bank program.....		3,758,533	1,228,952,947	1,254,000,000	3,758,533	1,226,949,467	1,253,400,000
Commodity Stabilization Service.....		277,347,896	368,241,963	974,614,129	284,799,340	366,801,019	974,896,832
Commodity Credit Corporation.....		1,997,876,126	2,200,334,231	1,239,788,671	3,582,299,145	1,970,984,563	1,358,312,672
Federal Crop Insurance Corporation.....		6,214,200	19,210,000	7,300,000	9,917,440	14,214,537	7,084,000
Rural Electrification Administration.....		243,140,000	322,600,000	248,629,000	216,782,517	233,541,700	264,558,000
Farmers' Home Administration.....		199,450,000	720,135,000	300,350,000	189,160,947	288,105,587	318,949,400
Office of the General Counsel.....		2,256,000	2,785,000	3,172,000	2,244,854	2,772,000	3,160,000
Office of the Secretary.....		2,282,300	2,500,000	2,726,000	2,394,562	2,447,718	2,752,360
Office of Information.....		1,281,500	1,325,000	1,465,000	1,113,117	1,385,500	1,462,500
Library.....		699,950	735,000	824,000	712,522	725,900	813,000
Total new obligational authority and net budget expenditures.....		3,597,613,128	5,885,798,400	5,157,555,017	5,177,000,844	5,151,665,462	5,329,880,432
ENACTED OR RECOMMENDED IN THIS DOCUMENT							
Current authorizations (Other than revolving and management funds)							
Agricultural Research Service:							
Salaries and expenses.....	355	\$75,746,920	\$94,416,000	\$102,580,000	\$77,963,545	\$90,100,000	\$101,635,000
State experiment stations.....	355	24,753,708	29,503,708	34,253,708	24,588,263	29,475,100	34,181,000
Reimbursements to Commodity Credit Corporation for advances for animal disease eradication activities.....	355		13,060,954	18,581,660		13,060,954	18,581,660
Diseases of animals and poultry.....	355	1,898,000	3,500,000	3,640,000	2,251,483	3,400,000	3,900,000
Reappropriation.....	355	364,799	53,619				
Research on strategic and critical agricultural materials.....	355	314,000	314,000	325,000	301,957	301,950	324,500
Animal disease laboratory facilities.....	355	250,000	16,250,000		26,228	800,000	9,000,000
Miscellaneous:							
Repayment to Commodity Credit Corporation for eradication of foot-and-mouth and other contagious diseases of animals and poultry.....	355	5,788,897			5,788,897		
Research facilities, Agricultural Research Service.....	355				4,908,887	1,886,000	62,165
Other miscellaneous accounts:							
Salaries and expenses, Agricultural Research Service.....	355					7,000	7,000
Salaries and expenses, Bureau of Agricultural and Industrial Chemistry, Agricultural Research Administration.....	355				256,090	134,846	15,000
Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration.....	355				55,702		1,500
Salaries and expenses, Bureau of Dairy Industry, Agricultural Research Administration.....	355				4,912	8,688	1,000
Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration.....	355				26,440		
Salaries and expenses, Bureau of Human Nutrition and Home Economics, Agricultural Research Administration.....	355				57,287	34,466	4,134
Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration.....	355				61,635		
Salaries and expenses, Office of Administrator, Agricultural Research Administration.....	355				a 25		
Salaries and expenses, Office of Experiment Stations, Agricultural Research Administration.....	355				8		
Total, Agricultural Research Service.....		109,116,324	157,098,281	159,380,368	116,291,309	139,209,004	167,712,959
Extension Service:							
Cooperative extension work, payments and expenses.....	355	48,120,000	53,515,000	64,130,000	47,573,665	53,514,000	64,004,000
Farmer Cooperative Service:							
Salaries and expenses.....	355	427,000	550,000	578,000	430,666	526,000	574,000

a Deduct, excess of repayments and collections over expenditures.

BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)			EXPENDITURES (from prior year and new authorizations)		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
ENACTED OR RECOMMENDED IN THIS DOCUMENT—Continued							
Current authorizations—Continued							
Forest Service:							
Forest protection and utilization.....	402			\$97,300,000			\$85,980,000
Forest roads and trails.....	402	\$24,000,000	\$24,000,000	24,336,000	\$24,103,395	\$24,000,000	24,000,000
Assistance to States for tree planting.....	402			4,000,000			2,500,000
Acquisition of lands for Cache National Forest.....	402		50,000	50,000		20,000	50,000
Acquisition of lands for Superior National Forest.....	402		500,000	500,000	34,839	400,000	500,000
Acquisition of lands for national forests, special acts (indefinite special account).....	402	10,000	10,000	10,000	601	20,000	10,000
Cooperative range improvements.....	402	699,867	700,000	700,000	638,074	723,000	837,000
Salaries and expenses.....	402	63,001,500	64,670,750		62,390,117	64,700,000	7,800,000
State and private forestry cooperation.....	402	11,382,129	12,190,000		11,220,150	12,340,000	883,000
Acquisition of lands for national forests, Weeks Act.....	402	190,000	100,000		130,146	140,000	140,000
Miscellaneous: Smoke jumper facilities.....	402				4,778		
Total, Forest Service.....		99,283,496	102,220,750	126,896,000	98,522,100	102,343,000	122,700,000
Soil Conservation Service:							
Conservation operations.....	354	62,950,000	67,500,000	73,545,000	63,169,723	66,250,000	73,200,000
Watershed protection.....	354	12,000,000	17,500,000	25,500,000	9,597,984	15,275,000	25,000,000
Flood prevention.....	354	10,000,000	12,000,000	13,220,000	9,826,186	11,200,000	12,600,000
Water conservation and utilization projects.....	354		232,000	350,000	357,123	358,000	350,000
Total, Soil Conservation Service.....		84,950,000	97,232,000	112,615,000	82,951,016	93,083,000	111,150,000
Great Plains conservation program:							
Great Plains conservation program.....	354			20,000,000			5,766,000
Agricultural Conservation Program Service:							
Agricultural conservation program.....	354	214,500,000	227,500,000	237,000,000	215,161,153	220,000,000	228,000,000
Agricultural Marketing Service:							
Marketing research and service.....	355	24,344,300	26,220,000	30,668,500	24,040,944	25,688,300	29,679,400
Payments to States, Territories, and possessions.....	355	1,000,000	1,160,000	1,260,000	1,000,000	1,160,000	1,260,000
School lunch program.....	217	83,236,197	100,000,000	100,000,000	82,692,398	99,816,800	100,000,000
Reimbursement to Commodity Credit Corporation for advances for grading and classing activities.....	355		367,740	80,449		367,740	80,449
Miscellaneous accounts:							
Agricultural Marketing Act.....	355				165,644	52,600	23,500
Exportation and domestic consumption of agricultural commodities (cotton price adjustment).....	351				* 122		
Salaries and expenses, Bureau of Agricultural Economics.....	355				2,168		
Salaries and expenses, marketing services, Production and Marketing Administration.....	355				12,371		
Total, Agricultural Marketing Service.....		108,580,497	127,747,740	132,008,949	107,913,403	127,085,440	131,043,349
Foreign Agricultural Service:							
Salaries and expenses.....	355	3,445,000	3,750,000	4,383,500	3,556,663	3,734,800	4,299,000
Commodity Exchange Authority:							
Salaries and expenses.....	355	775,000	787,400	832,000	785,304	787,000	830,000
Soil bank program:							
Conservation reserve program—practice payments:							
Authorization to expend from debt receipts.....	354		235,713,000		}	235,713,000	270,000,000
Current appropriation.....	354			270,000,000			
Other:							
Authorization to expend from debt receipts.....	351	3,758,533	993,239,947		}	3,758,533	991,236,467
Current appropriation.....	351			984,000,000			
Total soil bank program.....		3,758,533	1,228,952,947	1,254,000,000	3,758,533	1,226,949,467	1,253,400,000
Commodity Stabilization Service:							
Acreage allotments and marketing quotas.....	351	39,150,000	41,200,000	43,000,000	39,185,223	41,210,500	43,001,020
Sugar Act program.....	351	59,600,000	67,600,000	72,200,000	65,380,430	67,400,000	73,748,000
Special commodity disposal programs;							
International Wheat Agreement.....	351		101,130,155	92,930,611		101,130,155	92,930,611
Emergency famine relief to friendly peoples.....	152		88,628,927	94,483,518		88,628,927	94,483,518
Sales of surplus agricultural commodities for foreign currencies.....	351		67,477,228	637,000,000		67,477,228	637,000,000
Transfer of hay and pasture seeds.....	351		184,678			183,945	

* Deduct, excess of repayments and collections over expenditures.

BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)			EXPENDITURES (from prior year and new authorizations)		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
ENACTED OR RECOMMENDED IN THIS DOCUMENT—Continued							
Current authorizations—Continued							
Commodity Stabilization Service—Continued							
Miscellaneous:							
International Wheat Agreement.....	351	\$57,378,551			\$57,378,551		
Reimbursement to Commodity Credit Corporation for emergency famine relief to friendly peoples.....	152	9,545,830			9,537,154		
Reimbursement to Commodity Credit Corporation for emergency feed assistance.....	352	42,100,000			41,915,799		
Reimbursement to Commodity Credit Corporation for transfer of wheat to Pakistan.....	152	69,385,831			69,322,990		
Total, Commodity Stabilization Service.....		277,160,212	\$366,220,988	\$939,614,129	282,720,147	\$366,030,755	\$941,163,149
Federal Crop Insurance Corporation:							
Operating and administrative expenses.....	351	6,214,200	6,210,000	7,300,000	6,743,810	7,168,000	7,031,000
Rural Electrification Administration:							
Loans: Authorization to expend from debt receipts.....	353	235,000,000	314,000,000	239,000,000	208,658,824	225,000,000	255,000,000
Salaries and expenses.....	353	8,140,000	8,600,000	9,629,000	8,123,693	8,541,700	9,558,000
Total, Rural Electrification Administration.....		243,140,000	322,600,000	248,629,000	216,782,517	233,541,700	264,558,000
Farmers' Home Administration:							
Loans: Authorization to expend from debt receipts:							
Farm ownership, farm operating, and soil and water conservation.....	352	168,000,000	209,500,000	235,500,000	157,545,381	207,837,700	230,400,000
Farm housing.....	517	5,000,000	450,000,000		890,900	27,889,300	43,000,000
Salaries and expenses.....	352	26,350,000	27,750,000	30,000,000	26,521,876	27,695,000	29,914,000
Total, Farmers' Home Administration.....		199,350,000	687,250,000	265,500,000	184,958,157	263,422,000	303,314,000
Office of the General Counsel:							
Salaries and expenses.....	355	2,256,000	2,785,000	3,172,000	2,244,854	2,772,000	3,160,000
Office of the Secretary:							
Salaries and expenses.....	355	2,282,300	2,500,000	2,726,000	2,296,170	2,493,100	2,692,500
Office of Information:							
Salaries and expenses.....	355	1,281,500	1,325,000	1,465,000	1,113,117	1,385,500	1,462,500
Library:							
Salaries and expenses.....	355	699,950	735,000	824,000	712,276	725,000	813,000
Total current authorizations, other than revolving and management funds.....		1,405,340,012	3,388,980,106	3,581,053,946	1,374,514,860	2,844,769,766	3,613,673,457
Permanent authorizations (Indefinite appropriation, special account, unless otherwise indicated)							
Forest Service:							
Expenses, brush disposal.....	402	3,447,061	4,500,000	5,000,000	3,857,529	3,750,000	4,850,000
Roads and trails for States, national forests fund.....	402	7,753,873	11,397,600	11,848,000	7,266,239	10,800,000	14,648,000
Miscellaneous permanent appropriations:							
Development and improvement of a ranger dwelling, Tonto National Forest.....	402				14,855	645	
Forest fire prevention.....	402	19,955	15,000	15,000	28,590	24,931	17,400
Payment to Minnesota (Cook, Lake, and Saint Louis Counties) from the national forests fund.....	402	46,234	46,500	50,000	46,234	46,500	50,000
Payments due counties, submarginal land program, Farm Tenant Act.....	354	460,619	575,000	625,000	459,795	575,824	625,000
Payments to school funds, Arizona and New Mexico, act of June 20, 1910 (receipt limitation) (indefinite appropriation, general account).....	402	114,301	129,400	129,400	114,301	129,400	129,400
Payments to States and Territories from the national forests fund.....	402	19,381,155	28,487,700	29,620,000	19,381,604	28,487,700	29,620,000
Total, Forest Service.....		31,223,198	45,151,200	47,287,400	31,169,147	43,815,000	49,939,800
Agricultural Marketing Service:							
Perishable Agricultural Commodities Act fund.....	355	438,637	546,000	675,000	494,600	531,600	579,800
Removal of surplus agricultural commodities (general account).....	351	162,447,471	195,616,888	218,900,000	179,069,634	245,000,000	245,000,000
Total, Agricultural Marketing Service.....		162,886,108	196,162,888	219,575,000	179,564,234	245,531,600	245,579,600
Commodity Stabilization Service:							
National Wool Act (general account).....	351	187,684	2,020,975	35,000,000	187,684	2,020,975	35,000,000
Total permanent authorizations.....		194,296,990	243,335,063	301,862,400	210,921,065	291,367,575	330,519,400

BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)			EXPENDITURES (from prior year and new authorizations)		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
ENACTED OR RECOMMENDED IN THIS DOCUMENT—Continued							
Revolving and management funds							
Public enterprise funds (see “New authorizations” and “Funds applied” in detail section below)-----		\$1,997,976,126	\$2,220,219,231	\$1,249,638,671	\$5,147,146,025	\$4,766,534,640	\$4,203,872,965
Intragovernmental funds (see “Net budget expenditures” in detail section below)-----					642,921,669	920,338,479	296,107,700
Total revolving and management funds-----		1,997,976,126	2,220,219,231	1,249,638,671	5,790,067,694	5,686,873,119	4,499,980,665
Total enacted or recommended in this document-----		3,597,613,128	5,852,534,400	5,132,555,017	7,375,503,619	8,823,010,460	8,444,173,522
PROPOSED FOR LATER TRANSMISSION							
Under existing legislation							
Agricultural Research Service:							
Payments to States, Hawaii, Alaska, and Puerto Rico-----	355		250,000			185,000	65,000
Extension Service:							
Salaries and expenses-----	355		514,000			387,000	127,000
Forest Service:							
Salaries and expenses-----	402		6,500,000			5,700,000	800,000
Agricultural Conservation Program Service:							
Emergency conservation measures-----	354					8,000,000	12,000,000
Farmers' Home Administration:							
Loans: Authorization to expend from debt receipts-----	352		26,000,000			18,000,000	8,000,000
Disaster loans, etc., revolving fund-----	352					10,000,000	
Under proposed legislation							
Farmers' Home Administration:							
Loans: Authorization to expend from debt receipts-----	352			25,000,000			16,000,000
Total proposed for later transmission-----			33,264,000	25,000,000		42,272,000	36,992,000
Grand total-----		3,597,613,128	5,885,798,400	5,157,555,017	7,375,503,619	8,865,282,460	8,481,165,522
Deduct receipts of public enterprise funds (see “Funds provided” in detail section below)-----					2,198,502,775	3,713,616,998	3,151,285,090
Total new obligational authority and net budget expenditures-----		3,597,613,128	5,885,798,400	5,157,555,017	5,177,000,844	5,151,665,462	5,329,880,432

BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

REVOLVING AND MANAGEMENT FUNDS

(Including budget authorizations therefor from the general fund)

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (authorizations to expend from debt receipts unless otherwise specified)			FUNDS PROVIDED (by operations)		
		1956	1957	1958	1956	1957	1958
ENACTED OR RECOMMENDED IN THIS DOCUMENT							
Public enterprise funds							
Commodity Credit Corporation:							
Restoration of capital impairment (current appropriation).....	351	\$1,634,659	\$929,287,178	\$1,239,788,671	\$2,085,138,657	\$3,594,824,184	\$3,045,692,940
Increase in borrowing authority.....	351	2,000,000,000	2,500,000,000				
Transfer of authorization to finance soil bank program.....	351	-3,758,533	-1,228,952,947				
Commodity Credit Corporation fund: Price support, supply, and related programs.....	351						
Administrative expenses (limitation).....	351	(30,750,000)	(31,000,000)	(38,400,000)			
Proposed increase in administrative expense limitation.....	351		(2,750,000)				
Total, Commodity Credit Corporation.....		1,997,876,126	2,200,334,231	1,239,788,671	2,085,138,657	3,594,824,184	3,045,692,940
Federal Crop Insurance Corporation:							
Investment in Federal Crop Insurance Corporation (current appropriation).....	351		13,000,000		23,409,082	24,911,463	28,547,000
Federal Crop Insurance Corporation fund.....	351						
Farmers' Home Administration:							
Disaster loans, etc., revolving fund.....	352				87,536,325	90,591,351	72,680,150
Farm tenant-mortgage insurance fund.....	352	100,000	6,885,000	9,850,000	2,418,711	3,290,000	4,365,000
Total public enterprise funds.....		1,997,976,126	2,220,219,231	1,249,638,671	2,198,502,775	3,713,616,998	3,151,285,090
Intragovernmental funds ("Advances and reimbursements" unless otherwise specified)							
Agricultural Research Service:							
Working capital fund, Agricultural Research Center.....	355				2,677,181	2,668,500	2,740,500
Advances and reimbursements.....	355				7,587,054	7,898,940	7,879,014
Extension Service.....	355				6,946	42,269	39,072
Farmer Cooperative Service.....	355				2,846	360,400	397,700
Forest Service:							
Working capital fund.....	402					6,601,000	14,803,000
Advances and reimbursements.....	402				8,315,913	8,298,000	4,332,054
Soil Conservation Service.....	354				2,001,614	2,536,000	3,185,000
Agricultural Conservation Program Service.....	354				271,577	457,000	457,000
Agricultural Marketing Service.....	355				682,991	1,672,180	1,681,440
Foreign Agricultural Service.....	355				106,116	111,000	117,500
Commodity Exchange Authority.....	355				560		
Commodity Stabilization Service:							
Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938.....	355				16,136,780	23,202,533	23,979,443
Local administration, sec. 388, Agricultural Adjustment Act of 1938.....	355				95,851,418	184,603,153	185,746,251
Advances and reimbursements.....	351				1,119,827	946,509	899,000
Commodity Credit Corporation:							
Commodity Credit Corporation fund:							
Loan to Secretary of Agriculture for conservation program.....	354				36,950,000	21,950,000	35,450,000
Soil bank program:							
Conservation reserve program—cost sharing.....	354					235,713,000	270,000,000
Other.....	351					895,894,747	889,426,000
Transfers and other costs for eradication of foot-and-mouth disease.....	355				5,788,897	1,267,785	1,853,450
Transfers and other costs for eradication of brucellosis in cattle.....	355				841,303	12,059,756	16,728,210
Cotton classing and tobacco grading.....	355				75,000	466,926	80,449
Transfer of hay and pasture seeds to Federal land administering agencies.....	351					183,945	
International Wheat Agreement.....	351				57,378,551	101,130,155	92,930,611
Sales for foreign currencies: Cost of commodities and other expendi- tures.....	351				9,533,492	98,737,213	667,000,000
Emergency assistance to Pakistan—wheat.....	152				69,322,990		
Emergency assistance to friendly peoples.....	152				9,537,154	88,628,927	94,483,518
Emergency feed program—cost of commodities.....	352				41,915,799		
Water fowl feed program.....	351						
Total, Commodity Credit Corporation.....					231,343,186	1,456,032,454	2,067,952,238
Federal Crop Insurance Corporation.....	351				2,425	2,500	
Rural Electrification Administration.....	353				5,578		
Farmers' Home Administration.....	352				113,520	130,000	130,000
Office of the General Counsel.....	355				693	1,200	1,200
Office of the Secretary:							
Working capital fund.....	355				2,468,442	2,592,900	2,609,075
Advances and reimbursements.....	355				60,727	2,720	2,720
Office of Information.....	355				34,042		
Library.....	355				113,346	92,000	21,200
Total intragovernmental funds.....					368,902,782	1,698,251,258	2,316,973,407
Total revolving and management funds.....		1,997,976,126	2,220,219,231	1,249,638,671	2,567,405,557	5,411,868,256	5,468,258,497

BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

REVOLVING AND MANAGEMENT FUNDS

(Including budget authorizations therefor from the general fund)

FUNDS APPLIED (to operations)			NET BUDGET EXPENDITURES			Organization unit and account title
1956	1957	1958	1956	1957	1958	
						ENACTED OR RECOMMENDED IN THIS DOCUMENT
						Public enterprise funds
						Commodity Credit Corporation:
						Restoration of capital impairment (current appropriation)
						Increase in borrowing authority
						Transfer of authorization to finance soil bank program
\$5,026,405,487	\$4,644,011,702	\$4,106,592,415	\$2,941,266,830	\$1,049,187,518	\$1,060,899,475	Commodity Credit Corporation fund: Price support, supply, and related programs.
						Administrative expenses (limitation)
						Proposed increase in administrative expense limitation
						Total, Commodity Credit Corporation
5,026,405,487	4,644,011,702	4,106,592,415	2,941,266,830	1,049,187,518	1,060,899,475	Federal Crop Insurance Corporation:
						Investment in Federal Crop Insurance Corporation (current appropriation)
26,582,712	31,958,000	28,600,000	3,173,630	7,046,537	53,000	Federal Crop Insurance Corporation fund
						Farmers' Home Administration:
90,329,314	80,624,232	54,523,550	2,792,989	9,967,119	18,156,600	Disaster loans, etc., revolving fund
3,828,512	9,940,706	14,157,000	1,409,801	6,650,706	9,792,000	Farm tenant-mortgage insurance fund
5,147,146,025	4,766,534,640	4,203,872,965	2,948,643,250	1,052,917,642	1,052,587,875	Total public enterprise funds
						Intragovernmental funds
						("Advances and reimbursements" unless otherwise specified)
						Agricultural Research Service:
2,600,887	2,684,602	2,738,000	76,294	16,102	2,500	Working capital fund, Agricultural Research Center
7,587,392	7,899,754	7,879,014	338	814		Advances and reimbursements
6,946	42,269	39,072				Extension Service
2,846	302,700	391,000		57,700	6,700	Farmer Cooperative Service
						Forest Service
	6,555,000	14,738,000		46,000	65,000	Working capital fund
8,291,638	8,380,955	4,332,054	24,275	82,955		Advances and reimbursements
2,001,614	2,536,000	3,185,000				Soil Conservation Service
271,577	457,000	457,000				Agricultural Conservation Program Service
683,119	1,510,440	1,656,600	128	161,740	24,840	Agricultural Marketing Service
105,426	113,196	117,500	690	2,196		Foreign Agricultural Service
560						Commodity Exchange Authority
						Commodity Stabilization Service:
15,449,310	22,159,326	22,913,126	687,470	1,043,207	1,066,317	Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938
98,327,905	184,395,649	185,546,251	2,476,487	207,504	200,000	Local administration, sec. 388, Agricultural Adjustment Act of 1938
1,222,319	946,509	899,000	102,492			Advances and reimbursements
						Commodity Credit Corporation:
						Commodity Credit Corporation fund:
43,450,000	43,450,000	43,450,000	6,500,000	21,500,000	8,000,000	Loan to Secretary of Agriculture for conservation program
	235,713,000	270,000,000				Soil bank program:
	916,380,366	929,426,000	2,901	20,485,619	40,000,000	Conservation reserve program—cost sharing
2,901	1,555,844	1,325,400	3,964,172	288,059	528,050	Other
1,824,725	20,517,693	20,703,000	15,913,279	8,457,937	3,974,790	Transfers and other costs for eradication of foot-and-mouth disease
16,754,582	153,819	155,300	109,282	313,107	74,851	Transfers and other costs for eradication of brucellosis in cattle
184,282			34,286	183,945		Cotton classing and tobacco grading
34,286						Transfer of hay and pasture seeds to Federal land administering agencies
						International Wheat Agreement
92,313,014	99,711,087	111,323,000	34,934,463	1,419,068	18,392,389	Sales for foreign currencies: Cost of commodities and other expenditures
624,226,712	932,954,638	944,310,195	614,693,220	834,217,425	277,310,195	
			69,322,990			Emergency assistance to Pakistan—wheat
93,584,999	127,366,982	44,644,000	84,047,845	38,738,055	49,839,518	Emergency assistance to friendly peoples
			41,915,799			Emergency feed program—cost of commodities
	26,070	28,540		26,070	28,540	Water fowl feed program
872,375,501	2,377,829,499	2,365,365,435	641,032,315	921,797,045	297,413,197	Total, Commodity Credit Corporation
2,425	2,500					Federal Crop Insurance Corporation
5,578						Rural Electrification Administration
113,520	130,000	130,000				Farmers' Home Administration
693	1,200	1,200				Office of the General Counsel
						Office of the Secretary:
2,566,955	2,547,300	2,668,935	98,513	45,600	59,860	Working capital fund
60,606	2,938	2,720	121	218		Advances and reimbursements
34,042						Office of Information
113,592	92,900	21,200	246	900		Library
1,011,824,451	2,618,589,737	2,613,081,107	642,921,669	920,338,479	296,107,700	Total intragovernmental funds
6,158,970,476	7,385,124,377	6,816,954,072	3,591,564,919	1,973,256,121	1,348,695,575	Total revolving and management funds

• Deduct, excess of repayments and collections over expenditures.

CURRENT AUTHORIZATIONS

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

Salaries and Expenses, Agricultural Research Service

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$15,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed three, of which two shall be one for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to 5 U. S. C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except greenhouses connecting greenhouses) shall not exceed \$7,500 \$15,000, except for five buildings to be constructed or improved at a cost not to exceed \$25,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or two five per centum of the cost of the building, whichever is greater: *Provided further*, That appropriations hereunder shall be available for uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131):

Research: For research and demonstrations on the production and utilization of agricultural products, and related research and services, including administration of payments to State agricultural experiment stations; \$49,972,000 \$56,910,000: *Provided further*, That not to exceed \$1,850,000 \$1,200,000 shall be available for construction of buildings and for the acquisition of necessary land therefor [by donation, or exchange], and not to exceed \$75,000 \$25,000 for alterations of buildings, without regard to limitations prescribed herein;

Plant and animal disease and pest control: For operations and measures to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine and regulatory activities, as authorized by law; \$26,294,000 \$26,952,000, of which \$4,400,000 \$1,000,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954 (7 U. S. C. 148), to the extent necessary to meet emergency conditions: *Provided further*, That \$1,250,000 of such \$4,400,000 shall be immediately available for expenditure for control and eradication of the Mediterranean fruit fly: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of trees, farm animals, farm crops, or other property injured or destroyed as a result of plant insect and disease control activities except potatoes and tomatoes as authorized under the Golden Nematode Act: *Provided further*, That, in the discretion of the Secretary, no part of this appropriation shall be expended for the control of sweet-potato weevil in any State until such State has provided cooperation necessary to accomplish this purpose, or for barberry eradication until a sum or sums at least equal to such expenditures shall have been made available by States, counties, or local authorities, or by individuals or organizations for the accomplishment of this purpose, or with respect to the golden nematode except as prescribed in section 4 of the Golden Nematode Act: *Provided further*, That not to exceed \$156,000 shall be available for construction of buildings and for the acquisition of necessary land therefor, without regard to limitations prescribed herein;

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products and the applicable provisions of the laws relating to process or renovated butter; \$15,650,000 \$18,718,000.

[For an additional amount for "Salaries and Expenses," for "plant and animal disease and pest control", \$2,500,000 to be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954 (7 U. S. C. 148), to the extent necessary to meet emergency conditions.] (5 U. S. C. 511-512, 524, 563-564, 565a, 576, 2131; 7 U. S. C. 135-135k, 141-167, 281-283, 361a-361i, 391, 394-396, 397, 401-404, 421-422a, 424-425, 427, 427i, 429-431, 433-434, 436-437, 441, 851-855, 1292, 1651-1656; 8 U. S. C. 1229; 15 U. S. C. 69e; 16 U. S. C. 581-581a, 581f, 590a-590b, 590f; 19 U. S. C. 1201, 1306; 20 U. S. C. 191-194; 21 U. S. C. 71-96, 101-105, 111-123, 130-131, 151-153, 346; 26 U. S. C. 2325, 2326c; 31 U. S. C. 725a; 45 U. S. C. 71-74; 46 U. S. C. 466a-

466b; 48 U. S. C. 198, 1409m-1409o; 49 U. S. C. 177e; 46 Stat. 67; 70 Stat. 87, 1032-1034; Public Res. 47, approved May 21, 1928; Public Res. 42, approved Feb. 8, 1930; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957; Supplemental Appropriation Act, 1957.)

Appropriated 1957, \$94,416,000

Estimate 1958, \$102,580,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Direct obligations:			
1. Research:			
(a) Crops research	\$13,895,995	\$17,324,717	\$17,687,200
(b) Farm and land management research	7,147,740	9,898,010	13,016,200
(c) Livestock research	6,603,639	7,895,400	8,985,100
(d) Administration of payments to States, and Territorial research	764,675	841,000	911,900
(e) Home economics research	1,529,349	1,825,300	2,164,600
(f) Utilization research	9,475,400	12,194,100	14,145,000
Total, research	39,416,798	49,978,527	56,910,000
2. Plant and animal disease and pest control:			
(a) Plant disease and pest control	11,954,496	18,457,455	16,566,600
(b) Animal disease and pest control	9,090,945	9,349,100	10,385,400
Total, plant and animal disease and pest control	21,045,441	27,806,555	26,952,000
3. Meat inspection	15,217,643	15,650,000	18,718,000
Total direct obligations	75,679,882	93,435,082	102,580,000
Obligations from amount advanced by Commodity Credit Corporation:			
2. Plant and animal disease and pest control: (b) Animal disease and pest control (brucellosis eradication)	16,224,435	20,000,000	20,000,000
Total obligations	91,904,317	113,435,082	122,580,000
Financing:			
Comparative transfers to other accounts	22,778		
Unobligated balance brought forward		-6,527	
Appropriation available from subsequent year	-987,445		
Appropriation available in prior year		987,445	
Advances (repayable to Commodity Credit Corporation)	-16,224,435	-20,000,000	-20,000,000
Unobligated balance carried forward	6,527		
Unobligated balance no longer available	1,025,178		
Appropriation (adjusted)	75,746,920	94,416,000	102,580,000

PROGRAM AND PERFORMANCE

The Agricultural Research Service conducts fundamental and applied research and demonstrations relating to the production and utilization of agricultural products, and those control and regulatory programs of the Department which involve enforcement of plant and animal quarantines, meat inspection, the control of diseases and insect pests of animals and plants, and related work.

1. *Research*—(a) *Crops research*.—Investigations are conducted to improve varieties of food, feed, fiber, and other plants and to develop new crops; to improve crop-production practices including methods to control plant diseases; to improve methods for control of harmful and utilization of beneficial insects affecting farm production; and to develop and test new chemical formulations for the control of crop pests. In 1958 nonrecurring funds for the construction of two laboratory buildings are eliminated, and increases are requested to strengthen research on methods for controlling destructive insects, to expand the plant disease warning service and research on plant disease organisms, and to staff the new National Seed Storage Laboratory.

(b) *Farm and land management research*.—Investigations are conducted to improve fertilizers, soil management, irrigation and conservation practices; to study hydrologic problems of agricultural watersheds; to determine the

relation of soils to plant, animal, and human nutrition; and to apply engineering principles to improve efficiency and reduce costs of agricultural production. Production economics research is conducted on profitable adjustments in farming by type and size of farm; on efficiency in use of labor, equipment, land, and water; and on related economic problems. Increases are requested in 1958 for expansion of research on increased efficiency in water management in relation to irrigation; watershed hydrology; production economics; and engineering studies on handling new crops and on application of chemicals to control insects, diseases, and weeds. A portion of the increase would provide for research on soil and water, and economic problems of irrigation in the Upper Colorado River Basin and for the construction of facilities for sedimentation and soil salinity research.

(c) *Livestock research.*—Improved breeding, feeding, and management investigations are developed for farm livestock, poultry and domestic fur animals, as well as practical methods for control of diseases and parasites affecting them. The request for 1958 includes expansion and improvement of the dairy herd improvement and sire proving programs, the development of improved types of sheep for farms, and strengthening research on animal parasites. New buildings and facilities are also proposed at Dubois, Idaho, and Miles City, Mont., for range sheep and cattle investigations.

(d) *Administration of payments to States, and Territorial research.*—Research under Federal grant funds at each State agricultural experiment station is coordinated with the research conducted by other States and by agencies of the Department. The Secretary's responsibilities for the proper administration of these funds are financed by a direct appropriation (\$222,200 for 1957) and 3 percent of the grant funds as provided by Public Law 352, approved August 11, 1955. Agricultural experiment stations are operated in Alaska, Puerto Rico, and the Virgin Islands.

(e) *Home economics research.*—Studies are made of human nutrition, household economics, and clothing and housing. Increases requested for 1958 are for expansion of research on problems of fat in human nutrition, and on serviceability and maintenance of clothing fabrics.

(f) *Utilization research.*—Chemical, physical, and biological studies are conducted to develop new and improved foods, feeds, drugs, fabrics, industrial chemicals, and other products from agricultural commodities, to improve commodity processing methods, to increase the use of byproducts, and to solve waste disposal problems. The 1958 request for funds recommends expansion of utilization research on grains, cotton, wool and mohair, fruits and vegetables, linseed oil, cottonseed oil and meal, and on animal fats.

2. *Plant and animal disease and pest control.*—(a) *Plant disease and pest control.*—Provision is made (a) through port of entry inspection to exclude from this country destructive insects, plant diseases and nematodes that cause great damage to agricultural crops in other parts of the world; (b) to cooperate with States in eradicating or preventing spread of crop pests that become established in this country; and (c) to assist States in suppressing incipient and emergency outbreaks of crop pests when and where they occur. The Federal Insecticide, Fungicide, and Rodenticide Act and related provisions of Public Law 518 are administered and enforced. A decrease in 1958 of \$4,080,000 in the contingency fund for the control of emergency outbreaks of insects and plant diseases is partially offset by increases to strengthen plant quarantine

inspection service and regulatory work on pesticides. The volume of inspections, interceptions of unauthorized plant materials, export certificates issued, and other protective activities is indicated in the following table:

	[In thousands]	1955 actual	1956 actual
Inspections at ports of entry:			
Airplanes.....	89		97
Vessels.....	48		55
Foreign mail packages.....	3,254		3,138
Interceptions of unauthorized plant material.....	216		245
Export certificates issued.....	35		45
Plant containers certified for export.....	12,688		23,460

(b) *Animal disease and pest control.*—Programs are devised to exclude communicable diseases of foreign origin from this country; to prevent the spread of diseases through interstate shipments of livestock or distribution of impure or impotent veterinary biologics; to control and eradicate livestock diseases; and to maintain, through a marketing agreement with manufacturers and handlers, adequate supplies of hog cholera virus and serum for protection of swine. Increases requested for 1958 provide for strengthening the control of miscellaneous livestock diseases, the inspection and testing of veterinary biologics, and the construction of livestock inspection facilities at four ports of entry.

The acceleration of the brucellosis eradication program conducted under this appropriation is authorized under title II, section 204 (e), of the Agricultural Act of 1954, as amended. It provides that the program shall be financed by transfer of not to exceed \$20 million for each of the years 1957 and 1958 from funds available to the Commodity Credit Corporation.

The volume of inspections and other protective activities is indicated by selected examples in the following table:

	[In thousands]	1955 actual	1956 actual
Animal import-export inspection:			
All animals.....	427		314
Import animal byproducts:			
Wool, bone, glands, etc..... pounds.....	722,093		725,000
Hides and skins..... pieces.....	56,942		68,553
Sheep inspected for scabies.....	5,587		8,730
Scabies-infected sheep found.....	34		43
Cattle inspected for scabies.....	1,146		1,763
Scabies-infected cattle found.....	10		7
Inspections and dippings for cattle fever ticks.....	1,625		1,752
Cattle tested for tuberculosis.....	9,211		9,220
Tuberculosis reactors found.....	11		14
Cattle tested for brucellosis.....	14,186		16,754
Brucellosis reactors found.....	365		367
Animals inspected at public stockyards.....	66,278		70,540
Diseased animals received or found.....	181		221
Supervision of production of veterinary biologics:			
Hog-cholera virus and anticholera serum..... doses.....	54,727		50,441
Hog-cholera vaccine..... do.....	26,451		32,325
Other vaccines..... do.....	1,761,096		2,274,657
Total bacterins..... do.....	85,145		87,373
Diagnostic agents..... do.....	67,215		57,056
Other serums..... do.....	14,303		13,363

3. *Meat inspection.*—Federal meat inspection is required for all meat in interstate commerce and is conducted to assure a clean and wholesome meat supply for human consumption. The work includes inspection of animals, carcasses and meat, and meat-food products at various stages of handling and processing. Measures are enforced to insure informative labeling and meats imported or exported are inspected. The increase requested for 1958 would provide for additional inspectors to strengthen the meat inspection service, and related costs.

The volume of inspections and examinations is indicated by examples given in the following table:

	1955 actual	1956 actual
Number of establishments covered.....	1,120	1,184
Inspections of live animals.....	98,200,397	108,546,583
Post mortem inspections.....	98,194,761	108,539,755
Animals and carcasses condemned.....	287,224	303,793
Inspection of processed meat and meat-food products million pounds.....	16,374	18,207

CURRENT AUTHORIZATIONS—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

SALARIES AND EXPENSES—continued

Salaries and Expenses, Agricultural Research Service—Continued

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
AGRICULTURAL RESEARCH SERVICE			
Total number of permanent positions.....	12,987	14,333	15,311
Full-time equivalent of all other positions.....	2,183	2,612	2,473
Average number of all employees.....	13,483	15,483	16,535
Number of employees at end of year.....	17,596	19,350	19,950
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	\$5,262
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3,829	\$3,911	\$3,909
Personal service obligations:			
Permanent positions.....	\$57,926,817	\$66,010,704	\$71,562,653
Positions other than permanent.....	9,237,182	11,321,268	10,708,556
Regular pay above 52-week base.....	228,630	279,625	279,625
Payment above basic rates.....	549,119	563,600	583,738
Other payments for personal services.....	2,001		
Total personal service obligations.....	67,943,749	77,895,572	83,134,572
Direct obligations:			
01 Personal services.....	58,734,749	66,036,572	71,882,572
02 Travel.....	2,254,393	2,577,700	2,860,700
03 Transportation of things.....	312,282	410,600	430,700
04 Communication services.....	491,896	576,000	576,600
05 Rents and utility services.....	612,193	683,700	747,800
06 Printing and reproduction.....	388,356	493,000	570,000
07 Other contractual services.....	3,236,084	6,441,900	6,034,400
Services performed by other agencies.....	2,288,842	3,654,900	3,887,500
08 Supplies and materials.....	4,519,795	5,976,483	4,918,428
09 Equipment.....	1,593,212	2,476,300	2,726,500
10 Lands and structures.....	83,478	1,922,300	1,384,000
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			4,331,500
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	14,389	15,000	15,000
Anaplasmosis indemnities.....	11,606	9,000	9,000
Brucellosis indemnities.....	548,000	548,000	548,000
Scrapie indemnities.....	59,956	70,000	75,000
Tuberculosis indemnities.....	374,878	380,000	380,000
Federal tort claims.....	366	400	400
15 Taxes and assessments.....	97,831	102,300	100,200
Contingency fund.....		935,000	1,000,000
Subtotal.....	75,622,306	93,309,155	102,478,300
Deduct charges for quarters and subsistence.....	85,897	88,300	88,300
Total direct obligations.....	75,536,409	93,220,855	102,390,000
Reimbursable obligations:			
01 Personal services.....	9,209,000	11,859,000	11,252,000
02 Travel.....	327,000	563,000	528,000
03 Transportation of things.....	23,000	37,600	37,600
04 Communication services.....	120,000	204,000	194,000
05 Rents and utility services.....	38,000	62,300	62,300
06 Printing and reproduction.....	62,000	99,000	99,000
07 Other contractual services.....	102,000	174,000	174,000
Services performed by other agencies.....	90,000	184,000	154,000
08 Supplies and materials.....	571,084	1,051,553	999,100
09 Equipment.....	39,000	245,000	200,000
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			162,000
13 Refunds, awards, and indemnities:			
Brucellosis indemnities.....	5,512,351	5,334,547	5,952,000
15 Taxes and assessments.....	131,000	186,000	186,000
Total reimbursable obligations.....	16,224,435	20,000,000	20,000,000
Total, Agricultural Research Service.....	91,760,844	113,220,855	122,390,000
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
07 Other contractual services (total, General Services Administration).....		57,700	40,000
ALLOCATION TO BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE			
Average number of all employees.....	2	2	2
Number of employees at end of year.....	3	3	0
01 Personal services:			
Positions other than permanent.....	\$12,721	\$14,800	\$14,800
Regular pay above 52-week base.....	49		
Payment above basic rates.....	172	200	200
Total personal services.....	12,942	15,000	15,000

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
ALLOCATION TO BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE—continued			
04 Communication services.....	\$2		
06 Printing and reproduction.....	392	\$500	\$500
07 Other contractual services.....	1,067	1,500	1,500
10 Lands and structures.....	129,070	139,527	133,000
Total, Bureau of Public Roads.....	143,473	156,527	150,000
Total obligations.....	91,904,317	113,435,082	122,580,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$75,699,920	\$94,416,000	\$102,580,000
Transferred from "Diseases of animals and poultry, Agricultural Research Service".....	47,000		
Adjusted appropriation.....	75,746,920	94,416,000	102,580,000
Balance brought forward:			
Unobligated.....		6,527	
Obligated.....	11,900,573	9,584,322	12,919,404
Appropriation available from subsequent year.....	987,445		
Appropriation available in prior year.....		-987,445	
Total budget authorizations available.....	88,634,938	103,019,404	115,499,404
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	67,104,962	81,525,000	90,135,000
Out of prior authorizations.....	10,858,583	8,575,000	11,500,000
Total expenditures.....	77,963,545	90,100,000	101,635,000
Balance no longer available:			
Unobligated (expiring for obligation).....	1,025,178		
Other.....	55,366		
Balance carried forward:			
Unobligated.....	6,527		
Obligated.....	9,584,322	12,919,404	13,864,404
Total expenditures and balances.....	88,634,938	103,019,404	115,499,404

[PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO]

STATE EXPERIMENT STATIONS

State Experiment Stations, Agricultural Research Service

Payments to States, Hawaii, Alaska, and Puerto Rico: For payments to agricultural experiment stations to carry into effect the provisions of the Hatch Act, approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377-379), as amended by the Act approved August 11, 1955 (69 Stat. 671), including administration by the United States Department of Agriculture, [\$29,003,708] \$33,503,708; and payments authorized under section 204 (b) of the Agricultural Marketing Act, the Act approved August 14, 1946 (7 U. S. C. 1623), \$500,000; in all, [\$29,503,708] \$34,003,708.

Penalty mail: For penalty mail costs of agricultural experiment stations, under section 6 of the Hatch Act of 1887, as amended, \$250,000. (70 Stat. 535-536; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$29,503,708

Estimate 1958, \$34,253,708

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Payments to States, Hawaii, Alaska, and Puerto Rico:			
(a) Payments to agricultural experiment stations.....	\$24,221,973	\$28,857,208	\$33,222,208
(b) Federal administration.....	416,245	646,500	781,500
2. Penalty mail.....			250,000
Total obligations.....	24,638,218	29,503,708	34,253,708
Financing:			
Unobligated balance no longer available.....	115,490		
Appropriation.....	24,753,708	29,503,708	34,253,708

PROGRAM AND PERFORMANCE

Funds are allotted to agricultural experiment stations of the land-grant colleges in the States, Hawaii, Alaska, and Puerto Rico for agricultural research, including investigations and experiments to promote a permanent and efficient agricultural industry and improvements in the rural home and rural life. The allotments are made primarily on the basis of prescribed amounts in the authorizing act and partly on the basis of need in specific areas to find solutions to agricultural problems. The States are contributing about \$3 to \$1 paid by the Federal Government.

The proposed increase is to strengthen the cooperative research program at the State, Territorial, and Puerto Rico agricultural experiment stations.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	57	89	109
Full-time equivalent of all other positions.....	1	2	-----
Average number of all employees.....	52	81	100
Number of employees at end of year.....	61	88	109
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	\$5,262
Average grade.....	GS-7.0	GS-7.0	GS-7.2
01 Personal services:			
Permanent positions.....	\$331,069	\$501,300	\$626,800
Positions other than permanent.....	2,880	5,700	-----
Regular pay above 52-week base.....	1,615	-----	2,200
Payment above basic rates.....	100	-----	-----
Total personal services.....	335,664	507,000	629,000
02 Travel.....	44,874	60,000	48,000
03 Transportation of things.....	-----	100	400
04 Communication services.....	2,042	3,000	253,300
06 Printing and reproduction.....	3,578	10,000	2,400
07 Other contractual services.....	4,291	5,000	3,300
Services performed by other agencies.....	21,902	41,500	52,200
08 Supplies and materials.....	1,995	4,800	2,800
09 Equipment.....	1,670	15,000	2,000
11 Grants, subsidies, and contributions:			
Payments to States, Hawaii, Alaska, and Puerto Rico.....	24,221,973	28,857,208	33,222,208
Contribution to retirement fund.....	-----	-----	38,000
15 Taxes and assessments.....	229	100	100
Total obligations.....	24,638,218	29,503,708	34,253,708

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$24,753,708	\$29,503,708	\$34,253,708
Obligated balance brought forward.....	48,665	44,612	73,320
Restored from certified claims account.....	-----	100	-----
Total budget authorizations available.....	24,802,373	29,548,420	34,327,028
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	24,605,713	29,431,000	34,111,000
Out of prior authorizations.....	—17,450	44,100	70,000
Total expenditures.....	24,588,263	29,475,100	34,181,000
Balance no longer available:			
Unobligated (expiring for obligation).....	115,490	-----	-----
Other.....	54,008	-----	-----
Obligated balance carried forward.....	44,612	73,320	146,028
Total expenditures and balances.....	24,802,373	29,548,420	34,327,028

REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION FOR ADVANCES FOR ANIMAL DISEASE ERADICATION ACTIVITIES

Reimbursements to Commodity Credit Corporation for Advances for Animal Disease Eradication Activities, Agricultural Research Service

To reimburse the Commodity Credit Corporation for authorized transfers through June 30, 1956 (including interest through June 30, [1956] 1957), as follows: (1) [\$1,269,330] \$1,853,450 for sums transferred to the appropriation "Foot-and-mouth and other contagious diseases of animals and poultry", fiscal year [1955] 1956, for eradication activities, pursuant to authority contained under such head

in the Department of Agriculture and Farm Credit Administration Appropriation Act, [1955] 1956, and (2) [\$11,791,624] \$16,728,210 for sums transferred to the appropriation "Salaries and expenses, Agricultural Research Service", fiscal year [1955] 1956, for brucellosis eradication, pursuant to section 204 (e) of the Act of August 28, 1954, as amended (7 U. S. C. 397). (70 Stat. 86-87; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$13,060,954

Estimate 1958, \$18,581,660

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Repayment of advances from Commodity Credit Corporation:			
(a) For eradication of foot-and-mouth disease.....	\$5,788,897	\$1,269,330	-----
(b) For vesicular exanthema eradication.....	-----	-----	\$1,853,450
(c) For brucellosis eradication.....	-----	11,791,624	16,728,210
Total obligations.....	5,788,897	13,060,954	18,581,660
Financing:			
Comparative transfers from (—) other accounts.....	—5,788,897	-----	-----
Appropriation.....	-----	13,060,954	18,581,660

PROGRAM AND PERFORMANCE

This appropriation is to repay advances from Commodity Credit Corporation for costs incurred under the following authorized programs:

(a) *Eradication of vesicular exanthema of swine.*—The Secretary is authorized to transfer from other appropriations or funds available to the Department such sums as he deems necessary for the eradication of foot-and-mouth and other contagious diseases of animals and poultry. Pursuant to this authorization, \$1,853,450, including interest through June 30, 1957, was advanced from Commodity Credit Corporation for eradication of vesicular exanthema of swine in 1956.

(b) *Eradication of brucellosis.*—The Secretary was authorized to transfer up to \$17 million for 1956 from funds available to Commodity Credit Corporation to accelerate the brucellosis eradication program. Pursuant to this authorization, \$16,728,210, including interest through June 30, 1957, was advanced for this program in 1956.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
14 Interest.....	\$135,428	\$272,257	\$564,225
Undistributed: Repayment of advances from Commodity Credit Corporation.....	5,653,469	12,788,697	18,017,435
Total obligations.....	5,788,897	13,060,954	18,581,660

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	-----	\$13,060,954	\$18,581,660
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....	-----	13,060,954	18,581,660

DISEASES OF ANIMALS AND POULTRY

Diseases of Animals and Poultry, Agricultural Research Service

Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, [including the payment of claims growing out of destruction of animals (including poultry) affected by or exposed to, or of materials con-

CURRENT AUTHORIZATIONS—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

DISEASES OF ANIMALS AND POULTRY—continued

Diseases of Animals and Poultry, Agricultural Research Service—Continued

taminated by or exposed to, any such disease, when there has been compliance with all lawful quarantine regulations,] and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the Act of February 28, 1947, and the Act of May 29, 1884, as amended (7 U. S. C. 391; 21 U. S. C. 111-122), including expenses in accordance with section 2 of said Act of February 28, 1947, the Secretary may transfer from other appropriations or funds available to the bureaus, corporations, or agencies of the Department such sums as he may deem necessary, but not to exceed \$1,550,000] \$1,270,000 for eradication of vesicular exanthema of swine, to be available only in an emergency which threatens the livestock or poultry industry of the country, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts: *Provided*, [That, except for payments made pursuant to said Act of February 28, 1947, the payment for animals may be made on appraisal based on the meat, egg-production, dairy, or breeding value, but in case of appraisal based on breeding value no appraisal of any animal shall exceed three times its meat, egg-production, or dairy value and, except in case of an extraordinary emergency to be determined by the Secretary, the payment by the United States shall not exceed one-half of any such appraisements: *Provided further*,] That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".

Research: For expenses necessary for research authorized by the Act of April 24, 1948 (21 U. S. C. 113a), [\$3,500,000] including improvements, alterations of buildings, and not to exceed \$105,000 for the construction of buildings, except for replacement purposes, \$3,640,000: *Provided*, That the cost of altering any one building during the fiscal year shall not exceed \$3,750 or five per centum of its cost, whichever is greater. (5 U. S. C. 2131; 70 Stat. 1032-1034; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$3,500,000

Estimate 1958, \$3,640,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Eradication activities: (a) Eradication of vesicular exanthema of swine (advanced from Commodity Credit Corporation).....	\$2,092,180	\$1,550,000	
2. Research.....	1,898,256	3,500,000	\$3,640,000
Total obligations.....	3,990,436	5,050,000	3,640,000
Financing:			
Advances (repayable to Commodity Credit Corporation).....	-1,793,000	-1,496,381	
Unobligated balance no longer available.....	65,363		
Appropriation (adjusted).....	1,898,000	3,500,000	3,640,000
Reappropriation.....	364,799	53,619	

PROGRAM AND PERFORMANCE

1. *Eradication activities.*—On August 1, 1952, an emergency was declared as the result of the spread of vesicular exanthema of swine. Chief means of spread of the disease is through feeding of uncooked garbage. Cooperative measures have been undertaken to eradicate the disease. To further eradication efforts, 46 States now have laws or regulations requiring the cooking of garbage fed to swine.

Funds for carrying out this eradication program have been transferred from other funds available to the Department. Corporate funds so used are subsequently repaid from specific appropriations for that purpose.

2. *Research.*—Foot-and-mouth disease research was initiated in 1955 on Plum Island, N. Y., in facilities made

available to the Department of Agriculture by the Department of the Army. Additional facilities now being completed for occupation early in calendar year 1957 will permit the research work, which has been limited in scope, to be expanded to a full-scale program.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	448	709	509
Full-time equivalent of all other positions.....	3	3	2
Average number of all employees.....	485	577	470
Number of employees at end of year.....	420	650	500
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	\$5,262
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3,829	\$3,911	\$3,909
01 Personal services:			
Permanent positions.....	\$2,083,045	\$2,522,864	\$2,106,700
Positions other than permanent.....	11,184	8,500	5,000
Regular pay above 52-week base.....	7,528		8,800
Payment above basic rates.....	58,908	72,900	75,500
Total personal services.....	2,160,665	2,604,264	2,196,000
02 Travel.....	252,597	219,000	29,000
03 Transportation of things.....	9,467	10,500	8,000
04 Communication services.....	26,795	25,000	15,000
05 Rents and utility services.....	32,270	51,000	50,000
06 Printing and reproduction.....	3,051	1,000	
07 Other contractual services.....	192,170	240,000	160,000
Services performed by other agencies.....	471,571	608,700	274,700
08 Supplies and materials.....	514,776	814,536	611,300
09 Equipment.....	223,223	397,000	65,000
10 Lands and structures.....	10,884		105,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			132,000
13 Refunds, awards, and indemnities:			
Vesicular exanthema.....	81,403	80,000	
15 Taxes and assessments.....	16,578	7,000	2,000
Subtotal.....	3,995,450	5,058,000	3,648,000
Deduct charges for quarters and subsistence.....	5,014	8,000	8,000
Total obligations.....	3,990,436	5,050,000	3,640,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$1,945,000	\$3,500,000	\$3,640,000
Transferred to "Salaries and expenses, Agricultural Research Service" (5 U. S. C. 672).....	-47,000		
Adjusted appropriation.....	1,898,000	3,500,000	3,640,000
Reappropriation.....	364,799	53,619	
Obligated balance brought forward.....	952,752	720,070	873,689
Total budget authorizations available.....	3,215,551	4,273,689	4,513,689
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	1,656,261	2,700,000	3,100,000
Out of prior authorizations.....	595,222	700,000	800,000
Total expenditures.....	2,251,483	3,400,000	3,900,000
Balance no longer available:			
Unobligated (expiring for obligation).....	65,363		
Other.....	178,635		
Obligated balance carried forward.....	720,070	873,689	613,689
Total expenditures and balances.....	3,215,551	4,273,689	4,513,689

RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL MATERIALS

Research on Strategic and Critical Agricultural Materials, Agricultural Research Service

For expenses necessary to carry out section 7 (b) of the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 98f), [\$314,000] \$325,000: *Provided*, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service". (Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$314,000

Estimate 1958, \$325,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Investigations of domestic production of vegetable tannins.....	\$73,624	\$75,900	\$78,400
2. Development of a domestic source of castor oil.....	118,199	121,000	125,000
3. Research on domestic production of strategic fibers.....	113,397	117,100	121,600
Total obligations.....	305,220	314,000	325,000
Financing:			
Unobligated balance no longer available.....	8,780		
Appropriation.....	314,000	314,000	325,000

PROGRAM AND PERFORMANCE

On recommendation and approval of the Office of Defense Mobilization, investigations are made of the feasibility of developing domestic sources of supplies of any agricultural material or substitute for it determined by that Office to be strategic and critical.

1. *Investigations of domestic production of vegetable tannins.*—These studies aim at domestic production of crops from which materials for tanning leather can be derived, and development of methods of extracting such materials.

2. *Development of a domestic source of castor oil.*—Work on this strategic oil is devoted to developing improved varieties of castor beans adapted to mechanical harvesting and to improving equipment for growing and harvesting the crop.

3. *Research on domestic production of strategic fibers.*—This work centers on the domestic production of fibers that can be used for such purposes as lines and ropes on naval vessels and as substitutes for jute.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	42	40	40
Full-time equivalent of all other positions.....	10	9	8
Average number of all employees.....	47	48	47
Number of employees at end of year.....	45	50	50
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	\$5,262
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3,829	\$3,911	\$3,909
01 Personal services:			
Permanent positions.....	\$173,422	\$177,000	\$177,000
Positions other than permanent.....	25,134	25,000	24,300
Regular pay above 52-week base.....	679		700
Payment above basic rates.....	6		
Total personal services.....	199,241	202,000	202,000
02 Travel.....	12,361	13,000	13,000
03 Transportation of things.....	1,811	2,000	2,000
04 Communication services.....	315	500	500
05 Rents and utility services.....	5,903	6,000	6,000
06 Printing and reproduction.....	240	19,000	500
07 Other contractual services.....	18,515	19,100	19,100
Services performed by other agencies.....	27,254	29,100	29,100
08 Supplies and materials.....	25,573	27,400	27,400
09 Equipment.....	13,299	14,000	14,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			11,000
15 Taxes and assessments.....	708	500	500
Total obligations.....	305,220	314,000	325,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$314,000	\$314,000	\$325,000
Obligated balance brought forward.....	40,599	39,802	52,682
Restored from certified claims account.....		830	
Total budget authorizations available.....	354,599	354,632	377,682

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	\$269,474	\$269,500	\$285,000
Out of prior authorizations.....	32,483	32,450	39,500
Total expenditures.....	301,957	301,950	324,500
Balance no longer available:			
Unobligated (expiring for obligation).....	8,780		
Other.....	4,060		
Obligated balance carried forward.....	39,802	52,682	53,182
Total expenditures and balances.....	354,599	354,632	377,682

[ANIMAL DISEASE LABORATORY FACILITIES]

Animal Disease Laboratory Facilities, Agricultural Research Service

For an additional amount for "Animal disease laboratory facilities," for establishment of such facilities, including construction and alteration of buildings and acquisition of necessary land by purchase, donation, or exchange, \$16,250,000, to remain available until expended. (Supplemental Appropriation Act, 1957.)

Appropriated 1957, \$16,250,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Facility for animal disease research and control (total obligations).....	\$28,921	\$973,079	\$14,168,000
Financing:			
Unobligated balance brought forward.....		—221,079	—15,498,000
Unobligated balance carried forward.....	221,079	15,498,000	1,330,000
Appropriation.....	250,000	16,250,000	

PROGRAM AND PERFORMANCE

The Supplemental Appropriation Act, 1956, provided \$250,000 for surveys, plans, and specifications for constructing or altering animal disease research and control laboratory facilities and the Supplemental Appropriation Act, 1957, provided an additional \$16,250,000 for establishment of such facilities. Ames, Iowa, has been selected as the site and land has been donated for the facilities. Plans will be prepared in 1957, and it is expected that a construction contract will be awarded early in the following year.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
AGRICULTURAL RESEARCH SERVICE			
Average number of all employees.....	1	1	1
Number of employees at end of year.....	1	0	0
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	\$5,262
Average grade.....	GS-7.0	GS-7.0	GS-7.2
01 Personal services:			
Positions other than permanent.....	\$6,296	\$3,200	\$2,000
Payment above basic rates.....	42		
Total personal services.....	6,338	3,200	2,000
02 Travel.....	4,425	7,000	7,000
06 Printing and reproduction.....	143		
07 Other contractual services.....	1,260	28,000	
Services performed by other agencies.....	13,186	234,000	113,000
08 Supplies and materials.....	486	879	
09 Equipment.....	3,005		
10 Lands and structures.....			14,046,000
15 Taxes and assessments.....	78		
Total, Agricultural Research Service.....	28,921	273,079	14,168,000
ALLOCATION TO GENERAL SERVICES ADMINISTRATION			
07 Other contractual services.....		700,000	
Total obligations.....	28,921	973,079	14,168,000

CURRENT AUTHORIZATIONS—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

[ANIMAL DISEASE LABORATORY FACILITIES]—continued

Animal Disease Laboratory Facilities, Agricultural Research Service—Continued

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$250,000	\$16,250,000	
Balance brought forward:			
Unobligated.....		221,079	\$15,498,000
Obligated.....		2,693	175,772
Total budget authorizations available.....	250,000	16,473,772	15,673,772
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	26,228	600,000	
Out of prior authorizations.....		200,000	9,000,000
Total expenditures.....	26,228	800,000	9,000,000
Balance carried forward:			
Unobligated.....	221,079	15,498,000	1,330,000
Obligated.....	2,693	175,772	5,343,772
Total expenditures and balances.....	250,000	16,473,772	15,673,772

Miscellaneous

Repayment to Commodity Credit Corporation for Eradication of Foot-and-Mouth and Other Contagious Diseases of Animals and Poultry, Agricultural Research Service

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Financing:			
Comparative transfers to other accounts.....	\$5,788,897		
Appropriation.....	5,788,897		

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$5,788,897		
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....	5,788,897		

Research Facilities, Agricultural Research Service

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Facilities for research on foot-and-mouth and other diseases of animals (total obligations).....	\$395,737	\$785,617	
Financing:			
Unobligated balance brought forward.....	-1,067,454	-785,617	
Unobligated balance carried forward.....	785,617		
Recovery of prior year obligations.....	-113,900		
Appropriation.....			

PROGRAM AND PERFORMANCE

The research laboratory and related facilities for investigation of foot-and-mouth and other animal diseases, for which \$10 million was appropriated in 1952, will be completed in 1957.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
AGRICULTURAL RESEARCH SERVICE			
Average number of all employees.....	3	5	
Number of employees at end of year.....	0	0	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	
Average grade.....	GS-7.0	GS-7.0	
01 Personal services: Permanent positions.....	\$23,391	\$35,000	
03 Transportation of things.....	749		
07 Other contractual services.....	1,743		
08 Supplies and materials.....	14,884	35,027	
09 Equipment.....	22,750	5,000	
10 Lands and structures.....	155,323	660,000	
Total, Agricultural Research Service.....	218,840	735,027	
ALLOCATION TO CORPS OF ENGINEERS, DEPARTMENT OF THE ARMY			
Total number of positions.....	22	6	
Average number of all employees.....	22	6	
Number of employees at end of year.....	16	6	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,369	\$5,507	
Average grade.....	GS-7.2	GS-7.8	
01 Personal services:			
Permanent positions.....	\$134,010	\$39,300	
Regular pay above 52-week base.....	615		
Payment above basic rates.....	2,461	700	
Total personal services.....	136,986	40,000	
02 Travel.....	9,714	1,000	
04 Communication services.....	1,116	500	
07 Other contractual services.....	29,081	9,090	
Total, Corps of Engineers.....	176,897	50,590	
Total obligations.....	395,737	785,617	

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Balance brought forward:			
Unobligated.....	\$1,067,454	\$785,617	
Obligated.....	5,789,598	1,162,548	\$62,165
Total budget authorizations available.....	6,857,052	1,948,165	62,165
EXPENDITURES AND BALANCES			
Total expenditures (out of prior authorizations).....	4,908,887	1,886,000	62,165
Balance carried forward:			
Unobligated.....	785,617		
Obligated.....	1,162,548	62,165	
Total expenditures and balances.....	6,857,052	1,948,165	62,165

Other Miscellaneous Accounts, Agricultural Research Service

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Obligated balance brought forward.....	\$847,229	\$199,634	\$125,500
Increase in prior year obligations.....	869		
Restored from certified claims account.....		110,866	
Total budget authorizations available.....	848,098	310,500	125,500
EXPENDITURES AND BALANCES			
Expenditures (out of prior authorizations):			
"Salaries and expenses, Agricultural Research Service".....		7,000	7,000
"Salaries and expenses, Bureau of Agricultural and Industrial Chemistry, Agricultural Research Administration".....	256,090	134,846	15,000
"Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration".....	55,702		1,500

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES—CON.			
Expenditures (out of prior authorizations)—Continued			
“Salaries and expenses, Bureau of Dairy Industry, Agricultural Research Administration”	\$4,912	\$3,688	\$1,000
“Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration”	26,440		
“Salaries and expenses, Bureau of Human Nutrition and Home Economics, Agricultural Research Administration”	57,287	34,466	4,134
“Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration”	61,635		
“Salaries and expenses, Office of Administrator, Agricultural Research Administration”	—25		
“Salaries and expenses, Office of Experiment Stations, Agricultural Research Administration”	8		
Total expenditures	462,049	185,000	28,634
Balance no longer available (other than unobligated, expiring for obligation)	186,415		
Obligated balance carried forward	199,634	125,500	96,866
Total expenditures and balances	848,098	310,500	125,500

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

“Watershed protection, Soil Conservation Service.”
 “Marketing research and service, Agricultural Marketing Service.”
 “School lunch program, Agricultural Marketing Service.”
 “Research and development, Army.”
 “Research and development, Air Force.”
 “Procurement and production, Army.”
 “Maintenance and operations, Army.”
 “Operating expenses, Atomic Energy Commission.”
 “Construction and rehabilitation, Bureau of Reclamation.”
 “Indian moneys, proceeds of labor, agencies, schools, etc.”
 “United States dollars advanced from foreign governments, United States information and educational program, Department of State.”
 “Abaca fiber program, General Services Administration.”
 “Mutual security, funds appropriated to the President.”
 “Army industrial fund.”
 “Salaries and expenses, civil defense functions of Federal agencies, Federal Civil Defense Administration.”

EXTENSION SERVICE

[PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO]
COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES

Cooperative Extension Work, Payments and Expenses, Extension Service

Payments to States, Hawaii, Alaska, and Puerto Rico: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U. S. C. 341-348), and the Act of August 11, 1955 (69 Stat. 683-4), [\$48,370,000] \$52,720,000; and payments and contracts for such work under section 204 (b)—205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623-1624), [\$1,495,000] \$1,645,000; in all, [\$49,865,000] \$54,365,000: *Provided*, That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953, shall not be paid to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Retirement costs for extension agents: For costs of employer's share of Federal retirement for cooperative extension employees, \$5,260,000.

Penalty mail: For costs of penalty mail for cooperative extension agents, \$1,650,000 and State extension directors, \$2,164,000.

[FEDERAL EXTENSION SERVICE]

[Administration and coordination] *Federal Extension Service:* For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 (7 U. S. C. 341-348), and the Act of August 11, 1955 (69 Stat. 683-4), and extension aspects of the Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627), and to coordinate and provide program leadership for the extension work of the De-

partment and the several States, Territories, and insular possessions, [\$2,000,000] \$2,341,000. (39 U. S. C. 321i; 70 Stat. 535-6, 743-61; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$53,515,000

Estimate 1958, \$64,130,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Payments to States, Hawaii, Alaska, and Puerto Rico:			
(a) Payments for cooperative agricultural extension work under Smith-Lever Act	\$42,951,571	\$48,370,000	\$52,720,000
(b) Payments and contracts under the Agricultural Marketing Act	1,258,140	1,495,000	1,645,000
2. Retirement costs for extension agents			5,260,000
3. Penalty mail	1,650,000	1,650,000	2,164,000
4. Federal Extension Service	1,902,943	2,000,000	2,341,000
Total obligations	47,762,654	53,515,000	64,130,000
Financing:			
Unobligated balance no longer available	357,346		
Appropriation (adjusted)	48,120,000	53,515,000	64,130,000

PROGRAM AND PERFORMANCE

The primary function of the nationwide system of cooperative extension work is out-of-school applied education in agriculture and home economics. This educational activity takes research results, technological advancements, and situation and program facts of the Department of Agriculture, the State agriculture colleges, and experiment stations, and incorporates them into a national educational program. Its objective is to help people help themselves to attain greater efficiency in farming, marketing, and homemaking, thereby improving their economic status and their family and community life.

1. *Payments to States, Hawaii, Alaska, and Puerto Rico.*—Funds appropriated under the Smith-Lever Act, as amended, for payment to States, Hawaii, Alaska, and Puerto Rico are distributed on the basis of farm and rural population and on the basis of special needs. Funds appropriated under the Agricultural Marketing Act for educational work in marketing are distributed to the States, Hawaii, Alaska, and Puerto Rico on a matching basis under approved projects and on the basis of contracts with the States. Funds available to the States are used primarily for the employment of county extension workers who work with farm families, marketing agencies, and others by providing counsel and assistance in the application of improved methods of production, marketing, and family living. Work with youth is largely through 4-H Clubs. The proposed increase is to strengthen the extension program by providing a more personal approach in teaching the application of the results of research and advancing technology in the solution of farm and home problems; to intensify the rural development program geared to the needs of low-income and part-time farmers in disadvantaged agricultural areas; and to expand the extension marketing educational program.

2. *Retirement costs for extension agents.*—The amount proposed for 1958 is required to meet retirement costs of cooperative extension agents as authorized under Public Law 854, approved July 31, 1956.

3. *Penalty mail.*—Funds to cover the cost of penalty mailings of cooperative extension agents in the States are provided under this appropriation. The proposed increase is to cover the cost of penalty mailings for State extension directors.

CURRENT AUTHORIZATIONS—Continued

EXTENSION SERVICE—Continued

[PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO]
COOPERATIVE EXTENSION WORK, PAYMENTS AND EXPENSES—CON.

Cooperative Extension Work, Payments and Expenses, Extension Service—Continued

4. *Federal Extension Service.*—The Federal Extension Service provides leadership, counsel, and assistance to the States and Territories in developing overall policies, programs, modern teaching methods, efficient use of available resources, evaluation of program, in-service training for extension personnel and administrative services. The Service also provides leadership and assistance to the States in planning and developing extension programs in agriculture, home economics, and marketing. The proposed increase is to strengthen the Federal Extension staff to enable it to carry out its responsibilities by providing national educational leadership for the Department and State extension services, and in administering the Federal laws governing extension work.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	256	257	274
Full-time equivalent of all other positions.....	2	1	1
Average number of all employees.....	230	248	267
Number of employees at end of year.....	227	252	269
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,324	\$6,486	\$6,543
Average grade.....	GS-8.3	GS-8.5	GS-8.5
01 Personal services:			
Permanent positions.....	\$1,458,522	\$1,602,481	\$1,744,077
Positions other than permanent.....	6,785	3,665	1,835
Regular pay above 52-week base.....	5,703		6,665
Payment above basic rates.....	945		
Other payments for personal services.....	6,295	5,909	5,909
Total personal services.....	1,478,250	1,612,055	1,758,486
02 Travel.....	205,966	200,000	235,000
03 Transportation of things.....	42,322	34,600	44,814
04 Communication services.....	23,970	20,000	25,000
Penalty mail for cooperative extension agents and State extension directors.....	1,650,000	1,650,000	2,164,000
05 Rents and utility services.....	594	400	400
06 Printing and reproduction.....	85,283	80,000	90,000
07 Other contractual services.....	347,239	150,000	155,000
Services performed by other agencies.....	25,796	22,000	33,066
08 Supplies and materials.....	14,500	10,000	16,000
09 Equipment.....	14,951	10,000	16,000
11 Grants, subsidies, and contributions:			
Payments to States, Hawaii, Alaska, and Puerto Rico.....	43,872,911	49,725,000	54,225,000
Contribution to retirement fund.....			5,366,000
15 Taxes and assessments.....	872	945	1,300
Total obligations.....	47,762,654	53,515,000	64,130,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriations:			
"Cooperative extension work, payments and expenses, Extension Service".....			\$64,130,000
"Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service".....	\$45,475,000	\$49,865,000	
"Salaries and expenses, Federal Extension Service".....	3,570,000	3,650,000	
Total appropriations.....	49,045,000	53,515,000	64,130,000
Transferred to "Marketing research and service, Agricultural Marketing Service" (70 Stat. 161).....	-925,000		
Adjusted appropriation.....	48,120,000	53,515,000	64,130,000
Obligated balance brought forward.....	677,546	812,029	813,029
Total budget authorizations available.....	48,797,546	54,327,029	64,943,029

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES			
Expenditures (out of current authorizations):			
"Cooperative extension work, payments and expenses, Extension Service".....			\$63,332,000
"Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service".....	\$43,966,411	\$49,750,160	
"Salaries and expenses, Federal Extension Service".....	2,989,577	3,085,000	
Expenditures (out of prior authorizations):			
"Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service".....	36,376	115,300	107,000
"Salaries and expenses, Federal Extension Service".....	581,301	563,540	565,000
Total expenditures.....	47,573,665	53,514,000	64,004,000
Balance no longer available:			
Unobligated (expiring for obligation).....	357,346		
Other.....	54,506		
Obligated balance carried forward.....	812,029	813,029	939,029
Total expenditures and balances.....	48,797,546	54,327,029	64,943,029

Miscellaneous

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriation "Mutual security, funds appropriated to the President."

FARMER COOPERATIVE SERVICE

Salaries and Expenses, Farmer Cooperative Service

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451-457), **[\$550,000] \$578,000.** (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.*)

Appropriated 1957, **\$550,000**

Estimate 1958, **\$578,000**

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Research and technical assistance for farmers' cooperatives (total obligations).....	\$422,288	\$550,000	\$578,000
Financing:			
Unobligated balance no longer available.....	4,712		
Appropriation.....	427,000	550,000	578,000

PROGRAM AND PERFORMANCE

The Farmer Cooperative Service provides research, advisory, and educational assistance to farmers' marketing, purchasing, and service cooperatives. Problems of organization, financing, policies, management, merchandising, costs, efficiency, and membership are involved. Much of this work is carried out in cooperation with the Extension Service, land-grant colleges, and other Federal and State agencies.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	68	78	78
Average number of all employees.....	56	72	72
Number of employees at end of year.....	59	75	75
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,974	\$6,043	\$6,124
Average grade.....	GS-8.0	GS-8.3	GS-8.3

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
01 Personal services:			
Permanent positions.....	\$340,040	\$445,000	\$443,288
Regular pay above 52-week base.....	1,316		1,712
Payment above basic rates.....	773		
Total personal services.....	342,129	445,000	445,000
02 Travel.....	26,653	36,000	36,000
03 Transportation of things.....	1,109	1,000	1,000
04 Communication services.....	7,600	9,700	9,700
06 Printing and reproduction.....	33,433	42,500	42,500
07 Other contractual services.....	4,467	3,400	3,400
Services performed by other agencies.....	2,930	4,000	4,000
08 Supplies and materials.....	2,226	3,100	3,100
09 Equipment.....	1,470	4,700	4,700
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			28,000
13 Refunds, awards, and indemnities.....	30	300	300
15 Taxes and assessments.....	235	300	300
Total obligations.....	422,288	550,000	578,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$427,000	\$550,000	\$578,000
Obligated balance brought forward.....	47,295	36,710	60,710
Total budget authorizations available.....	474,295	586,710	638,710
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	386,130	489,300	514,000
Out of prior authorizations.....	44,536	36,700	60,000
Total expenditures.....	430,666	526,000	574,000
Balance no longer available:			
Unobligated (expiring for obligation).....	4,712		
Other.....	2,207		
Obligated balance carried forward.....	36,710	60,710	64,710
Total expenditures and balances.....	474,295	586,710	638,710

Miscellaneous

Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

“Marketing research and service, Agricultural Marketing Service.”

“Mutual security, funds appropriated to the President.”

FOREST SERVICE

The Service carries on three primary functions: (1) Protection, development, and use of about 181 million acres of land in national forests in the United States, Alaska, and Puerto Rico; and management of land utilization projects covering about 7 million acres; (2) cooperation with States and private forest landowners to obtain better fire protection on approximately 431 million acres of forest lands and better forest practices on about 345 million acres of privately owned commercial timberlands, to encourage reforestation, and stimulate development and management of State, county, and community forests; and (3) research for all public and private forest lands and related ranges to improve protection from fire, insects, and diseases; to increase production of timber, forage, water, and other products; to develop better utilization and marketing of forest products; and to maintain a current inventory of forest resources through a nationwide forest survey. These primary functions include construction and maintenance of roads, and trails, control of forest pests, protection against floods, land exchange, and a number of cooperative projects.

FOREST PROTECTION AND UTILIZATION

Forest Protection and Utilization, Forest Service

For expenses necessary for forest protection and utilization, as follows:

Forest land management: For necessary expenses of the Forest Service, not otherwise provided for, including the administration, improvement, development, and management of lands under Forest Service administration, fighting and preventing forest fires on or threatening such lands and for liquidation of obligations incurred in the preceding fiscal year for such purposes, control of white pine blister rust and other forest diseases and insects on Federal and non-Federal lands; \$72,730,000, of which \$5,250,000 for fighting and preventing forest fires and \$1,760,000 for insect and disease control shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary under the then existing conditions: Provided, That not more than \$100,000 may be used for acquisition of land under the Act of March 1, 1911, as amended (16 U. S. C. 513–519): Provided further, That funds appropriated for “Cooperative range improvements”, pursuant to section 12 of the Act of April 24, 1950 (16 U. S. C. 580h), may be advanced to this appropriation.

Forest research: For forest research at forest and range experiment stations, the Forest Products Laboratory, or elsewhere, as authorized by law; \$11,325,000.

State and private forestry cooperation: For cooperation with States in forest-fire prevention and suppression, in forest tree planting on non-Federal public and private lands, and in forest management and processing, and for advising timberland owners, associations, wood-using industries, and others in the application of forest management principles and processing of forest products, as authorized by law; \$13,245,000. (5 U. S. C. 511–512, 524, 565a, 2131; 7 U. S. C. 1010–1012, 1621–1627; 16 U. S. C. 471–583i, 594–1–594–5; 31 U. S. C. 534; 36 Stat. 557; 69 Stat. 367; 70 Stat. 1032–1035.)

Estimate 1958, * \$97,300,000

* Estimate is for activities previously carried under appropriations, as follows:
 “Salaries and expenses, Forest Service”..... \$83,954,600
 “Acquisition of lands for national forests, Weeks Act”..... 100,400
 “State and private forestry cooperation”..... 13,245,000
 The amounts obligated in 1956 and 1957 are shown in the schedule as comparative transfers.

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Forest land management:			
(a) National forest protection and management.....	\$38,296,810	\$44,888,649	\$62,874,600
(b) Fighting forest fires.....	10,500,000	5,250,000	5,250,000
(c) Insect and disease control.....	6,109,241	5,120,000	5,205,000
(d) Acquisition of lands.....	189,478	100,000	100,400
Total, forest land management.....	55,095,529	55,358,649	73,430,000
2. Forest research:			
(a) Forest and range management.....	4,394,461	5,068,734	5,420,000
(b) Forest protection.....	1,381,441	1,711,222	1,890,000
(c) Forest products utilization.....	1,564,532	1,948,883	2,215,000
(d) Forest resources.....	1,010,889	1,426,161	1,800,000
Total, forest research.....	8,351,323	10,155,000	11,325,000
3. State and private forestry cooperation:			
(a) Forest fire control.....	10,039,700	10,025,000	10,043,000
(b) Forest tree planting.....	493,576	1,000,000	1,308,000
(c) Forest management and processing.....	685,957	1,000,000	1,510,000
(d) General forestry assistance.....	151,694	165,000	384,000
Total, State and private forestry cooperation.....	11,370,927	12,190,000	13,245,000
Total obligations.....	74,817,779	77,703,649	98,000,000
Financing:			
Comparative transfers from (–) other accounts.....	–74,817,779	–77,703,649	–
Advances and reimbursements from “Cooperative range improvements, Forest Service”.....			–700,000
Appropriation.....			97,300,000

PROGRAM AND PERFORMANCE

This appropriation carries activities previously carried under “Salaries and expenses,” “State and private forestry cooperation,” and “Acquisition of lands for national

CURRENT AUTHORIZATIONS—Continued

FOREST SERVICE—Continued

FOREST PROTECTION AND UTILIZATION—Continued

Forest Protection and Utilization, Forest Service—Continued
forests, Weeks Act.” Funds appropriated under “Cooperative range improvements” are advanced to this appropriation for obligational purposes.

1. *Forest land management*—(a) *National forest protection and management*.—The national forests are protected from fire and their resources are managed in such ways as to bring about full utilization and maximum sustained production. This item also provides for management of about 7 million acres in land utilization projects, including revegetation and other development work.

MAIN WORKLOAD FACTORS

Description	1956 actual	1957 estimate	1958 estimate
Area administered and protected:			
(a) National forest land (acres).....	181,081,539	181,000,000	181,000,000
(b) Land utilization projects (acres).....	7,035,326	7,000,000	7,000,000
Timber managed and protected (billion board-feet).....	765	765	765
Timber sales (number).....	29,275	30,000	30,500
Timber harvested (billion board-feet).....	6.9	7.75	8.75
Forest fires controlled (number).....	8,123	13,000	10,000
Area burned (acres).....	366,156	200,000	200,000
Grazing use permits (calendar year).....	25,180	25,000	25,000
Estimated number of livestock on national forest ranges (including calves and lambs).....	8,000,000	8,000,000	8,000,000
Special-use permits (number).....	54,709	60,000	65,000
Estimated number of visitors to national forests (calendar year).....	45,700,000	50,000,000	55,000,000
Planted to trees (annual), acres.....	14,950	30,000	35,000
Range reseeding and removal of competing vegetation (annual), acres.....	77,702	80,000	90,000
Receipts (by fiscal years):			
Timber sales.....	\$110,123,730	\$116,730,000	\$148,750,000
Grazing.....	\$2,906,282	\$2,900,000	\$2,900,000
Land use and power.....	\$1,763,087	\$2,000,000	\$2,250,000
Land utilization projects.....	\$2,204,059	\$2,300,000	\$2,500,000
Total receipts.....	\$116,997,158	\$123,930,000	\$156,400,000

The proposed increase relates to the use of all national forest resources which continues to increase with population and the expanding economy of the Nation. The estimates include a total of \$11,500,000 for recreational facilities in the national forests for the first step of a program to provide adequate public-use facilities to meet present and projected future needs.

(b) *Fighting forest fires*.—This provides for employment of additional manpower and other facilities to suppress forest fires which cannot be controlled by the fire-control organization provided for under national-forest protection and management.

(c) *Insect and disease control*.—Activities to suppress and control destructive insects and diseases that threaten timber areas include two types of work carried on jointly by Federal, State, and private agencies:

(1) *Surveys* on forest lands to detect and appraise infestations of forest insects and infections of tree diseases and determination of protective measures to be taken.

(2) *Control operations* to suppress or eradicate forest insects and diseases, including the white pine blister rust.

(d) *Acquisition of lands*.—Funds are used to acquire lands to protect the watersheds of navigable streams and to increase the production of timber. There are now 70 national forest and purchase units in 32 States and Puerto Rico, within which the National Forest Reservation Commission has approved acquisition of lands. The present value of lands purchased to date is estimated at \$200 million, which is more than twice their cost.

2. *Forest research*—(a) *Forest and range management research*.—Research is conducted at regional forest experimental stations and elsewhere to provide private and

public land managers and owners with a sound basis for protection and management of timber, range, and watershed lands. Studies are conducted to maintain a sustained yield of products at the lowest possible costs; increase forage on rangelands for maximum production of livestock without damage to soil, watershed, or other values; assure maximum regular flow of usable water, and reduce flood and sedimentation.

(b) *Forest protection research*.—Research is conducted at the regional forest experiment stations and elsewhere to develop sound measures for the protection of forests from damage by fire, insects, and diseases. These investigations provide the technical basis for control and preventive measures, including predictions of fire danger.

(c) *Forest products utilization research*.—Studies are conducted at the Forest Products Laboratory and at the regional forest experiment stations to develop new and improved forest products, reduction and utilization of waste, and use of low-quality wood and unpopular species. They include studies to reduce costs of logging and wood utilization, and to develop basic knowledge of wood and disseminate this to forest owners, manufacturers, fabricators, and consumers.

(d) *Forest resources research*.—These investigations are conducted to inventory and appraise the condition of forest lands, volume and quality of standing timber, ownership of timber resources, annual growth and depletion, potential need for timber products, and information on production and marketing of forest products.

MAIN WORKLOAD FACTORS

[Acres in millions]

	1956 actual	1957 estimate	1958 estimate
Initial surveys (annual).....	15	20	30
Initial survey (cumulative).....	505	525	555
To be surveyed (total).....	179	159	129
Resurveys (annual).....	25	30	40
Resurveys (cumulative).....	244	274	314

¹ Includes all of Alaska.

3. *State and private forestry cooperation*.—This program, carried on in cooperation with the States, encourages private timber growing through assistance in preventing and suppressing forest fires, reforestation of denuded and poorly stocked areas, and good management of woodlands. Privately owned forest lands comprise three-fourths of the Nation's commercial forest area and produce 90 percent of all timber cut. The fire-control program applies to all State and private forest lands within the boundaries of organized protection units. The balance of the program is concentrated on small forest properties in private ownership because they are in greater need of management.

(a) *Cooperation in forest fire control*.—Assistance is furnished 44 States and Hawaii in preventing and suppressing forest fires on private and State-owned lands by financial aid, training, procurement of equipment, and a nationwide fire-prevention campaign. About 89 percent of the 431 million acres of non-Federal ownership are now partially covered. During 1955 the acreage burned on protected areas was 0.6 percent as against an estimated 11 percent on unprotected lands. Of the total expenditures under this program, 72 percent is contributed by States and counties, 5 percent by private owners, and 23 percent by the Federal Government.

(b) *Cooperation in forest tree planting*.—To encourage woodland owners to plant trees on the more than 50 million acres of inadequately stocked State and private

forest land, the States provide trees at less than cost. The Federal Government shares about 25 percent of the cost with the States and private landowners.

(c) *Cooperation in forest management and processing.*—In cooperation with State foresters, 270 projects in 1,333 counties are operated to aid small-woodland owners in applying good management to their timber holdings. In 1955 these projects covered some 34,828 owners and about 3 million acres.

(d) *General forestry assistance.*—Technical forest management assistance is provided to State, community, private, and other Federal agencies, forest industries, colleges, and landowners.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
FOREST SERVICE			
Total number of permanent positions.....	7,073	7,576	8,323
Full-time equivalent of all other positions.....	4,106	3,497	3,267
Average number of all employees.....	10,216	10,276	10,552
Number of employees at end of year.....	12,857	13,499	12,826
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,074
Average grade.....	GS-6.6	GS-6.6	GS-6.7
Ungraded positions: Average salary.....	\$4,168	\$4,266	\$4,266
01 Personal services:			
Permanent positions.....	\$31,813,831	\$35,176,158	\$38,595,720
Positions other than permanent.....	8,599,735	9,000,755	11,052,460
Regular pay above 52-week base.....	121,555		148,446
Payment above basic rates.....	2,054,208	1,448,487	731,220
Other payments for personal services.....	3,430,162	1,712,367	27,707
Total personal services.....	46,019,551	47,337,767	50,555,553
02 Travel.....	2,161,999	2,336,563	2,376,877
03 Transportation of things.....	657,138	592,500	590,700
04 Communication services.....	567,621	575,000	599,300
05 Rents and utility services.....	767,610	650,000	622,800
06 Printing and reproduction.....	377,105	428,000	444,500
07 Other contractual services.....	3,850,369	3,850,000	1,514,150
Services performed by other agencies.....	326,436	335,000	3,320,700
08 Supplies and materials.....	5,994,386	5,950,000	8,378,650
09 Equipment.....	2,899,138	2,850,000	3,290,200
10 Lands and structures.....	545,585	990,650	5,090,600
11 Grants, subsidies, and contributions.....	10,406,541	11,167,500	11,882,000
Contribution to retirement fund.....			2,478,200
13 Refunds, awards, and indemnities.....	81,659	55,175	52,800
15 Taxes and assessments.....	239,239	235,150	238,000
16 Investments and loans.....	40		
Contingency funds.....		546,000	7,010,000
Subtotal.....	74,894,417	77,899,305	98,355,030
Deduct charges for quarters and subsistence.....	539,350	656,656	710,930
Total, Forest Service.....	74,355,067	77,242,649	97,644,100
ALLOCATION TO DEPARTMENT OF THE INTERIOR			
Total number of permanent positions.....	7	5	4
Full-time equivalent of all other positions.....	70	68	56
Average number of all employees.....	78	73	60
Number of employees at end of year.....	284	229	219
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,938	\$5,342	\$5,135
Average grade.....	GS-7.4	GS-8.0	GS-7.1
01 Personal services:			
Permanent positions.....	\$33,700	\$29,150	\$22,651
Positions other than permanent.....	284,021	294,245	241,219
Regular pay above 52-week base.....	108		88
Payment above basic rates.....	18,995	21,555	21,820
Total personal services.....	336,824	344,950	285,778
02 Travel.....	8,179	11,000	6,275
03 Transportation of things.....	1,156	1,425	1,025
04 Communication services.....	837	1,280	730
05 Rents and utility services.....	2,581	5,180	5,225
06 Printing and reproduction.....		280	275
07 Other contractual services.....	69,377	52,540	41,670
08 Supplies and materials.....	40,073	47,000	25,007
09 Equipment.....	23,109	17,695	10,300
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			865
13 Refunds, awards, and indemnities.....	210	1,500	
15 Taxes and assessments.....	5,006	3,650	4,450
Subtotal.....	487,352	486,500	381,600
Deduct charges for quarters and subsistence.....	24,640	25,500	25,700
Total, Department of the Interior.....	462,712	461,000	355,900
Total obligations.....	74,817,779	77,703,649	98,000,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....			\$97,300,000
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....			85,980,000
Obligated balance carried forward.....			11,320,000
Total expenditures and balances.....			97,300,000

FOREST ROADS AND TRAILS

Forest Roads and Trails, Forest Service

For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921, as amended (23 U. S. C. 23, 23a), relating to forest development roads and trails, including the construction, reconstruction, and maintenance of roads and trails on experimental areas under Forest Service administration, [\$24,000,000, which sum is authorized to be appropriated by the Act of May 6, 1954 (23 U. S. C. 23)] \$24,336,000, to remain available until expended: *Provided, That funds available under the Act of March 4, 1913 (16 U. S. C. 501), shall be merged with and made a part of this appropriation: Provided further, That not less than the amount made available under the provisions of the Act of March 4, 1913, shall be expended under the provisions of such Act. (5 U. S. C. 565a; 70 Stat. 375-376; Department of the Interior and Related Agencies Appropriation Act, 1957.)*

Appropriated 1957, \$24,000,000

Estimate 1958, \$24,336,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Construction of roads and trails.....	\$16,016,981	\$15,919,782	\$25,924,000
2. Maintenance of roads and trails.....	7,472,837	8,680,000	10,260,000
Total obligations.....	23,489,818	24,599,782	36,184,000
Financing:			
Comparative transfers to other accounts.....	2,148		
Advances and reimbursements from other accounts.....			-11,848,000
Unobligated balance brought forward.....	-91,748	-599,782	
Unobligated balance carried forward.....	599,782		
Appropriation.....	24,000,000	24,000,000	24,336,000

PROGRAM AND PERFORMANCE

Roads and trails are essential to protection and management of national forests and utilization of their resources. The system consists of 123,872 miles of earth-or gravel-surfaced roads and 116,027 miles of supplemental trails.

Funds for 1958 will permit continued emphasis on the construction of timber access roads needed to accelerate harvesting of national forest timber.

Ten percent of the amounts annually received from national forest activities is available under the permanent appropriation "Roads and trails for States" for construction and maintenance within the State from which such proceeds are derived. These amounts are included in the schedules for 1958.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
FOREST SERVICE			
Total number of permanent positions.....	880	1,029	1,474
Full-time equivalent of all other positions.....	850	851	1,347
Average number of all employees.....	1,849	1,907	2,854
Number of employees at end of year.....	3,350	3,340	4,781
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,074
Average grade.....	GS-6.6	GS-6.6	GS-6.7
Ungraded positions: Average salary.....	\$4,168	\$4,266	\$4,266

CURRENT AUTHORIZATIONS—Continued

FOREST SERVICE—Continued

FOREST ROADS AND TRAILS—Continued

Forest Roads and Trails, Forest Service—Continued

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
FOREST SERVICE—continued			
01 Personal services:			
Permanent positions.....	\$4,794,466	\$5,167,821	\$7,259,917
Positions other than permanent.....	2,737,253	2,993,984	4,521,601
Regular pay above 52-week base.....	17,909	-----	29,269
Payment above basic rates.....	99,217	104,724	149,389
Other payments for personal services.....	2,641	2,200	2,231
Total personal services.....	7,651,486	8,268,729	11,962,407
02 Travel.....	283,810	290,000	400,000
03 Transportation of things.....	112,550	110,000	175,000
04 Communication services.....	99,054	98,000	115,000
05 Rents and utility services.....	144,169	140,000	195,000
06 Printing and reproduction.....	44,340	50,000	60,000
07 Other contractual services.....	2,436,877	2,550,000	3,950,000
Services performed by other agencies.....	1,940,479	1,870,000	2,810,000
08 Supplies and materials.....	2,121,610	1,800,000	2,900,000
09 Equipment.....	380,132	360,000	520,000
10 Lands and structures.....	4,189,450	5,073,651	7,807,766
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	-----	-----	336,000
13 Refunds, awards, and indemnities.....	3,734	5,000	5,000
15 Taxes and assessments.....	65,408	64,000	99,000
Subtotal.....	19,473,099	20,679,380	31,335,173
Deduct charges for quarters and subsistence.....	50,798	79,598	151,173
Total, Forest Service.....	19,422,301	20,599,782	31,184,000
ALLOCATION TO BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE			
Total number of permanent positions.....	100	105	150
Full-time equivalent of all other positions.....	54	56	71
Average number of all employees.....	144	150	198
Number of employees at end of year.....	101	110	145
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,537	\$5,729	\$5,866
Average grade.....	GS-7.5	GS-7.7	GS-7.8
Ungraded positions: Average salary.....	\$5,914	\$5,907	\$5,907
01 Personal services:			
Permanent positions.....	\$410,952	\$433,000	\$529,500
Positions other than permanent.....	177,556	185,000	233,000
Regular pay above 52-week base.....	1,581	-----	1,850
Payment above basic rates.....	39,844	42,000	45,650
Total personal services.....	629,933	660,000	810,000
02 Travel.....	82,535	100,000	115,000
03 Transportation of things.....	1,595	1,500	1,800
04 Communication services.....	842	1,000	1,200
05 Rents and utility services.....	10,456	10,000	11,500
06 Printing and reproduction.....	2,469	2,500	4,500
07 Other contractual services.....	311,843	350,000	450,000
08 Supplies and materials.....	40,462	50,000	61,200
09 Equipment.....	31	-----	-----
10 Lands and structures.....	2,988,851	2,825,000	3,515,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	-----	-----	29,800
Subtotal.....	4,069,017	4,000,000	5,000,000
Deduct charges for quarters and subsistence.....	1,590	-----	-----
Total, Bureau of Public Roads.....	4,067,517	4,000,000	5,000,000
Total obligations.....	23,489,818	24,599,782	36,184,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$24,000,000	\$24,000,000	\$24,336,000
Balance brought forward:			
Unobligated.....	91,748	599,782	-----
Obligated.....	10,738,819	10,127,384	10,727,166
Total budget authorizations available.....	34,830,567	34,727,166	35,063,166
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	24,103,395	15,000,000	14,700,000
Out of prior authorizations.....	-----	9,000,000	9,300,000
Total expenditures.....	24,103,395	24,000,000	24,000,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES—CON.			
Balance no longer available (other than unobligated, expiring for obligation).....	6	-----	-----
Balance carried forward:			
Unobligated.....	\$599,782	-----	-----
Obligated.....	10,127,384	\$10,727,166	\$11,063,166
Total expenditures and balances.....	34,830,567	34,727,166	35,063,166

Forest Roads and Trails (Liquidation of Contract Authorization), Forest Service

STATUS OF UNFINANCED CONTRACT AUTHORIZATION

	1956 actual	1957 estimate	1958 estimate
Unfinanced balance at beginning of year.....	\$48,000,000	\$24,000,000	-----
Contract authorization (new, permanent).....	-----	27,000,000	\$27,000,000
Administrative cancellation.....	-24,000,000	-51,000,000	-27,000,000
Unfinanced balance at end of year.....	-24,000,000	-----	-----
Appropriation to liquidate contract authorization.....	-----	-----	-----

PROGRAM AND PERFORMANCE

This program is described under "Forest roads and trails."

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Unobligated balance brought forward:			
Contract authorization.....	\$48,000,000	\$24,000,000	-----
EXPENDITURES AND BALANCES			
Unobligated balance no longer available (expiring for obligation).....	24,000,000	24,000,000	-----
Unobligated balance carried forward:			
Contract authorization.....	24,000,000	-----	-----
Total expenditures and balances.....	48,000,000	24,000,000	-----

ASSISTANCE TO STATES FOR TREE PLANTING

Assistance to States for Tree Planting, Forest Service

For expenses necessary to carry out section 401 of the Agricultural Act of 1956, approved May 28, 1956 (70 Stat. 188), \$4,000,000, to remain available until expended.

Estimate 1958, \$4,000,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Tree planting assistance (total obligations).....	-----	-----	\$4,000,000
Financing:			
Appropriation.....	-----	-----	4,000,000

PROGRAM AND PERFORMANCE

To carry out section 401 of the Agricultural Act of 1956, assistance will be given the State forester or other State official, through advice, technical assistance, and financial contribution, to carry out increased tree planting, and reforestation work in accordance with plans submitted by the State and approved by the Secretary of Agriculture.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....			28
Average number of all employees.....			26
Number of employees at end of year.....			28
Average salaries and grades:			
General schedule grades:			
Average salary.....			\$5,074
Average grade.....			GS-6.7
01 Personal services:			
Permanent positions.....			\$132,672
Regular pay above 52-week base.....			513
Total personal services.....			133,185
02 Travel.....			22,000
03 Transportation of things.....			6,000
04 Communication services.....			5,000
05 Rents and utility services.....			3,000
06 Printing and reproduction.....			10,000
07 Other contractual services.....			1,000
08 Supplies and materials.....			3,000
09 Equipment.....			10,000
11 Grants, subsidies, and contributions:			3,798,640
Contribution to retirement fund.....			8,175
Total obligations.....			4,000,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....			\$4,000,000
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....			2,500,000
Obligated balance carried forward.....			1,500,000
Total expenditures and balances.....			4,000,000

ACQUISITION OF LANDS FOR NATIONAL FORESTS

[ACQUISITION OF LANDS FOR] CACHE NATIONAL FOREST

Acquisition of Lands for Cache National Forest, Forest Service

For the acquisition of lands within the boundaries of the Cache National Forest, Utah, under the authority of the Act of July 24, 1956 (70 Stat. 632), \$50,000, to remain available until expended. (70 Stat. 632; Second Supplemental Appropriation Act, 1957.)

Appropriated 1957, \$50,000

Estimate 1958, \$50,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Acquisition of lands for Cache National Forest (total obligations).....		\$50,000	\$50,000
Financing:			
Appropriation.....		50,000	50,000

PROGRAM AND PERFORMANCE

Funds are requested for acquisition of lands within the Cache National Forest, Utah, to enable control and minimization of soil erosion and flood damage.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....		1	1
Average number of all employees.....		1	1
Number of employees at end of year.....		0	0
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$5,021	\$5,074
Average grade.....		GS-6.6	GS-6.7
01 Personal services: Permanent positions.....		\$1,800	\$1,800
02 Travel.....		200	200
10 Lands and structures.....		48,000	47,890

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			\$110
Total obligations.....		\$50,000	50,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$50,000	\$50,000
Obligated balance brought forward.....			30,000
Total budget authorizations available.....		50,000	80,000
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....		20,000	20,000
Out of prior authorizations.....			30,000
Total expenditures.....		20,000	50,000
Obligated balance carried forward.....		30,000	30,000
Total expenditures and balances.....		50,000	80,000

SUPERIOR NATIONAL FOREST

Acquisition of Lands for Superior National Forest, Forest Service

For the acquisition of forest land within the Superior National Forest, Minnesota, under the provisions of the Act of June 22, 1948 (62 Stat. 570; 16 U. S. C. 577c-577h), as amended, \$500,000, to remain available until expended: *Provided*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned. (70 Stat. 326-328; Supplemental Appropriation Act, 1957.)

Appropriated 1957, \$500,000

Estimate 1958, \$500,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Acquisition of lands for Superior National Forest (total obligations).....	\$209,752	\$541,680	\$500,000
Financing:			
Unobligated balance brought forward.....	-251,432	-41,680	
Unobligated balance carried forward.....	41,680		
Appropriation.....		500,000	500,000

PROGRAM AND PERFORMANCE

Forest lands are acquired to preserve the wilderness conditions of part of the Superior National Forest in Minnesota. There are still 30 properties used for commercial resort purposes, 73 properties with other improvements, mostly cabins, and 39,000 acres of undeveloped lands, all to be acquired and the improvements dismantled.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....		5	5
Average number of all employees.....		4	4
Number of employees at end of year.....		4	4
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$5,021	\$5,074
Average grade.....		GS-6.6	GS-6.7
01 Personal services:			
Permanent positions.....		\$20,685	\$20,685
Regular pay above 52-week base.....			80
Total personal services.....		20,685	20,765
02 Travel.....		2,000	2,000
04 Communication services.....		500	500
07 Other contractual services.....		2,000	2,000
10 Lands and structures.....	\$209,752	516,495	473,462
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			1,273
Total obligations.....	209,752	541,680	500,000

CURRENT AUTHORIZATIONS—Continued

FOREST SERVICE—Continued

ACQUISITION OF LANDS FOR NATIONAL FORESTS—Continued

SUPERIOR NATIONAL FOREST—continued

Acquisition of Lands for Superior National Forest, Forest Service—Continued

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$500,000	\$500,000
Balance brought forward:			
Unobligated.....	\$251,432	41,680	
Obligated.....	16,430	191,343	333,023
Total budget authorizations available.....	267,862	733,023	833,023
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	34,839	200,000	200,000
Out of prior authorizations.....		200,000	300,000
Total expenditures.....	34,839	400,000	500,000
Balance carried forward:			
Unobligated.....	41,680		
Obligated.....	191,343	333,023	333,023
Total expenditures and balances.....	267,862	733,023	833,023

SPECIAL ACTS

Acquisition of Lands for National Forests, Special Acts, Forest Service

For the acquisition of land [to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forest, in accordance with the provisions of the following Act authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amount from such receipts:] *in the Cache National Forest, Utah, Act of May 11, 1938 [(Public Law 505)] (52 Stat. 347), as amended, \$10,000: Provided, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: Provided further, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned. (Department of the Interior and Related Agencies Appropriation Act, 1957.)*

Appropriated 1957, \$10,000

Estimate 1958, \$10,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Cache National Forest, Utah (total obligations).....	\$9,975	\$10,000	\$10,000
Financing:			
Unobligated balance no longer available.....	25		
Appropriation.....	10,000	10,000	10,000

PROGRAM AND PERFORMANCE

On the basis of agreements with certain counties in Utah, national forest receipts, including portions which would normally be paid to county road and school funds, are appropriated for purchase of privately owned lands within the national forests to aid in the control of soil erosion and flood damage.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Number of employees at end of year.....	0	0	0
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,074
Average grade.....	GS-6.6	GS-6.6	GS-6.7

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
01 Personal services: Permanent positions.....	\$568	\$470	\$470
02 Travel.....		10	10
07 Other contractual services.....	2	2	2
08 Supplies and materials.....	16	18	18
10 Lands and structures.....	9,389	9,500	9,470
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			30
Total obligations.....	9,975	10,000	10,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$10,000	\$10,000	\$10,000
Obligated balance brought forward.....	9,392	18,766	12,006
Restored from certified claims account.....		3,240	
Total budget authorizations available.....	19,392	32,006	22,006
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	571	2,000	2,000
Out of prior authorizations.....	30	18,000	8,000
Total expenditures.....	601	20,000	10,000
Unobligated balance no longer available (expiring for obligation).....	25		
Obligated balance carried forward.....	18,766	12,006	12,006
Total expenditures and balances.....	19,392	32,006	22,006

COOPERATIVE RANGE IMPROVEMENTS

Cooperative Range Improvements, Forest Service

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests as authorized by section 12 of the Act of April 24, 1950 (16 U. S. C. 580h), \$700,000, to remain available until expended. (*Department of the Interior and Related Agencies Appropriation Act, 1957.*)

Appropriated 1957, \$700,000

Estimate 1958, \$700,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Advance to "Forest protection and utilization, Forest Service" total obligations.....			\$700,000
Financing:			
Comparative transfers to other accounts.....	\$685,823	\$742,899	
Unobligated balance brought forward.....	—28,855	—42,899	
Unobligated balance carried forward.....	42,899		
Appropriation.....	699,867	700,000	700,000

PROGRAM AND PERFORMANCE

Part of the grazing fees from the national forests, when appropriated, are used to protect or improve the productivity of the range, mainly by construction and maintenance of fences, stock-watering facilities, bridges, corrals, and driveways. These funds are advanced to the appropriation "Forest protection and utilization," subappropriation "Forest land management" beginning in 1958, and are included there in 1956 and 1957 for comparative purposes.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
07 Other contractual services.....			\$700,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$699,867	\$700,000	\$700,000
Balance brought forward:			
Unobligated.....	28,855	42,899	-----
Obligated.....	74,497	122,246	142,145
Total budget authorizations available.....	803,219	865,145	842,145
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	638,074	600,000	700,000
Out of prior authorizations.....		123,000	137,000
Total expenditures.....	638,074	723,000	837,000
Balance carried forward:			
Unobligated.....	42,899	-----	-----
Obligated.....	122,246	142,145	5,145
Total expenditures and balances.....	803,219	865,145	842,145

[FOREST SERVICE—SALARIES AND EXPENSES]

Salaries and Expenses, Forest Service

For expenses necessary, including not to exceed \$15,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), including travel expenses of advisory councils or similar groups; to experiment and make investigations and report on forestry, national forests, forest fires, forest insects and diseases, and lumbering; to advise the owners of woodlands as to the proper care of the same; to investigate and test American timber and timber trees and their uses, and methods, for the preservative treatment of timber; to seek, through investigations and the planting of native and foreign species, suitable trees for the treeless regions; to protect, administer, and improve the national forests, including tree planting and other measures to prevent erosion, drift, surface wash, soil waste, and the formation of floods, and to conserve water; to ascertain the natural conditions upon and utilize the national forests, to transport and care for fish and game supplied to stock the national forests or the waters therein; for management of lands acquired under the land-utilization program; and to collate, digest, report, and illustrate the results of experiments and investigations made by the Forest Service: *Provided*, That the appropriations available to the Forest Service for the current fiscal year may be used for the operation and maintenance of aircraft, and the purchase of not to exceed four (for replacement only), uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131); the purchase, erection, and alteration of buildings and other public improvements, but the cost of any building purchased, erected, or as improved, exclusive of the cost of constructing a water-supply or sanitary system and of connecting the same with any such building, and exclusive of the cost of any tower upon which a lookout house may be erected, shall not exceed \$18,500 (\$22,500 in Alaska) with the exception that any building erected, purchased, or acquired, the cost of which was \$18,500 or more, may be improved out of the appropriations available to the Forest Service within any fiscal year by an amount not to exceed 2 per centum of the cost of such building, and not to exceed \$250,000 of such appropriations may be used for the maintenance, improvement, and construction of aircraft-landing fields in, or adjacent to the national forests, as follows:]

[National forest protection and management: For the administration, protection, use, maintenance, improvement, and development of the national forests, including the establishment and maintenance of forest tree nurseries, including the procurement of tree seed and nursery stock by purchase, production, or otherwise, seeding and tree planting and the care of plantations and young growth; the maintenance of roads and trails and the construction and maintenance of all other improvements necessary for the proper and economical administration, protection, development, and use of the national forests, including experimental areas under Forest Service administration; the construction (not to exceed \$18,500 for any one structure), equipment, and maintenance of sanitary and recreational facilities; timber cultural operations; development and application of fish and game management plans; propagation and transplanting of plants suitable for planting on semiarid portions of the national forests; estimating and appraising of timber and other resources and development and application of plans for their effective management, sale, and use; expenses of the National Forest

Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U. S. C. 514); examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the Act of June 11, 1906, and the Act of August 10, 1912 (16 U. S. C. 506–509), as provided by the Act of March 4, 1913 (16 U. S. C. 512); investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national forests; not to exceed \$100,000 for the purchase of parcels of land and interests therein in Sanders County, Montana, but such land shall not be acquired without the approval of the local government concerned; and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests, and for the management of lands under title III of the Act of July 22, 1937, and the Act of August 11, 1945 (7 U. S. C. 1010–1012); \$44,300,750: *Provided*, That the Secretary may sell at market value any property located in Yalobusha, Chickasaw, and Pontotoc Counties, Mississippi, administered under title III of the Act of July 22, 1937, and suitable for return to private ownership under such terms and conditions as would not conflict with the purposes of said Act.]

[Fighting forest fires: For fighting and preventing forest fires on or threatening lands under Forest Service administration, including lands under contract for purchase or in process of condemnation for Forest Service purposes, and for liquidation of obligations incurred in the preceding fiscal year for such purpose, \$5,250,000, of which \$1,750,000 shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary to meet emergency conditions.]

[Control of forest pests: For the control of white pine blister rust pursuant to the Act of April 26, 1940 (16 U. S. C. 594a), including the development and testing of new control methods, \$2,734,000, of which \$355,000 shall be available to the Department of the Interior for the control of white pine blister rust on or endangering Federal lands under the jurisdiction of that Department or lands of Indian tribes which are under the jurisdiction of or retained under restrictions of the United States; and for carrying out the Forest Pest Control Act (16 U. S. C. 594–1–594–5), \$2,386,000, of which \$1,751,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the purposes of said Act to the extent necessary under the then existing conditions; \$5,120,000.]

[Forest research: For forest research at forest or range experiment stations, the Forest Products Laboratory, or elsewhere, in accordance with the provisions of sections 1, 2, 3, 4, 7, 8, 9, and 10 of the Act approved May 22, 1928, as amended (16 U. S. C. 581, 581a–581c, 581f–581i), including the construction and maintenance of improvements; fire, silvicultural, watershed, forest insects and diseases, and other forest investigations and experiments; investigations and experiments to develop improved methods of management of forest and related ranges; experiments, investigations, and tests of forest products; marketing research and service on timber and timber products; a comprehensive forest survey; and investigations in forest economics; \$10,000,000: *Provided*, That funds may be advanced to cooperators under such regulations as the Secretary may prescribe when such action will stimulate or facilitate cooperative work.]

[ADMINISTRATIVE PROVISIONS]

[The Forest Service is hereby authorized to construct a ski shelter in the Mount Baker National Forest, Washington, at a cost of not to exceed \$40,000, without regard to any limitation on the cost of such a structure contained in any other Act.] (5 U. S. C. 511–512, 524, 565a; 7 U. S. C. 1621–1627; 16 U. S. C. 471–583i; 31 U. S. C. 534; 36 Stat. 557; 69 Stat. 367; Department of the Interior and Related Agencies Appropriation Act, 1957; Supplemental Appropriation Act, 1957.)

Appropriated 1957, \$64,670,750

NOTE.—Estimate of \$83,954,600 for activities previously carried under this title has been transferred in the estimates to "Forest protection and utilization, Forest Service." The amounts obligated in 1956 and 1957 are shown in the schedule as comparative transfers.

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Financing:			
Comparative transfers to other accounts.....	\$62,581,463	\$64,670,750	-----
Unobligated balance no longer available.....	420,037	-----	-----
Appropriation.....	63,001,500	64,670,750	-----

CURRENT AUTHORIZATIONS—Continued

FOREST SERVICE—Continued

[FOREST SERVICE—SALARIES AND EXPENSES]—Continued

Salaries and Expenses, Forest Service—Continued

PROGRAM AND PERFORMANCE

In 1958 this appropriation is being superseded by "Forest protection and utilization, Forest Service," under which the program is described. However, a supplemental appropriation for 1957 is proposed for later transmission and appears at the end of this chapter.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

NOTE.—The following schedule includes balances and expenditures for "Control of forest pests, Agriculture."

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$63,001,500	\$64,670,750	-----
Obligated balance brought forward.....	7,670,341	7,941,978	\$7,945,636
Increase in prior year obligations.....	95,399	-----	-----
Restored from certified claims account.....	-----	32,908	-----
Total budget authorizations available.....	70,767,240	72,645,636	7,945,636
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	54,673,800	56,900,000	-----
Out of prior authorizations.....	7,716,317	7,800,000	7,800,000
Total expenditures.....	62,390,117	64,700,000	7,800,000
Balance no longer available:			
Unobligated (expiring for obligation).....	420,037	-----	-----
Other.....	15,108	-----	-----
Obligated balance carried forward.....	7,941,978	7,945,636	145,636
Total expenditures and balances.....	70,767,240	72,645,636	7,945,636

[STATE AND PRIVATE FORESTRY COOPERATION]

State and Private Forestry Cooperation, Forest Service

[For expenses necessary for cooperation with the various States in forest-fire prevention and suppression, in forest tree planting on non-Federal public and private lands, and in forest management and processing, pursuant to the Act of August 25, 1950 (16 U. S. C. 568c, 568d), and sections 1, 2, 3, and 4 of the Act of June 7, 1924 (16 U. S. C. 564–567c), and Acts supplementary thereto; advising timberland owners, associations, and other appropriate agencies in the application of forest and management principles to federally owned lands leased to States and to private forest lands, and advising wood-using industries in processing of forest products, so as to attain sustained-yield management, the conservation of the timber resources, the productivity of forest lands, and the stabilization of employment and economic continuance of forest industries; \$12,190,000.] (5 U. S. C. 511; 16 U. S. C. 581; Department of the Interior and Related Agencies Appropriation Act, 1957.)

Appropriated 1957, \$12,190,000

NOTE.—Estimate of \$13,245,000 for activities previously carried under this title has been transferred in the estimates to "Forest protection and utilization, Forest Service." The amounts obligated in 1956 and 1957 are shown in the schedule as comparative transfers.

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Financing:			
Comparative transfers to other accounts.....	\$11,370,927	\$12,190,000	-----
Unobligated balance no longer available.....	11,202	-----	-----
Appropriation.....	11,382,129	12,190,000	-----

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$11,382,129	\$12,190,000	-----
Obligated balance brought forward.....	896,643	1,035,410	\$885,441
Restored from certified claims account.....	-----	31	-----
Total budget authorizations available.....	12,278,772	13,225,441	885,441

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	\$10,405,107	\$11,336,000	-----
Out of prior authorizations.....	815,043	1,004,000	\$883,000
Total expenditures.....	11,220,150	12,340,000	883,000
Balance no longer available:			
Unobligated (expiring for obligation).....	11,202	-----	-----
Other.....	12,010	-----	-----
Obligated balance carried forward.....	1,035,410	885,441	2,441
Total expenditures and balances.....	12,278,772	13,225,441	885,441

[WEEKS ACT]

Acquisition of Lands for National Forests, Weeks Act, Forest Service

[For the acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U. S. C. 513–519, 521), \$100,000, to be available only for payment of the purchase price of any lands acquired, including the cost of surveys in connection with such acquisition: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.] (Department of the Interior and Related Agencies Appropriation Act, 1957.)

Appropriated 1957, \$100,000

NOTE.—Estimate of \$100,400 for activities previously carried under this title has been transferred in the estimates to "Forest protection and utilization, Forest Service." The amounts obligated in 1956 and 1957 are shown in the schedule as comparative transfers.

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Financing:			
Comparative transfers to other accounts.....	\$189,478	\$100,000	-----
Unobligated balance no longer available.....	522	-----	-----
Appropriation.....	190,000	100,000	-----

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$190,000	\$100,000	-----
Obligated balance brought forward.....	129,810	186,410	\$155,612
Increase in prior year obligations.....	328	-----	-----
Restored from certified claims account.....	-----	9,202	-----
Total budget authorizations available.....	320,138	295,612	155,612
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	18,431	20,000	-----
Out of prior authorizations.....	111,715	120,000	140,000
Total expenditures.....	130,146	140,000	140,000
Balance no longer available:			
Unobligated (expiring for obligation).....	522	-----	-----
Other.....	3,060	-----	-----
Obligated balance carried forward.....	186,410	155,612	15,612
Total expenditures and balances.....	320,138	295,612	155,612

Miscellaneous

Miscellaneous Accounts, Forest Service

PROGRAM AND FINANCING

NOTE.—The following schedules include unobligated balances for "Land utilization projects, Forest Service."

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Smoke jumper facilities (total obligations).....	\$2,723	-----	-----

PROGRAM AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Financing:			
Unobligated balance brought forward.....	—\$57,830	-----	-----
Recovery of prior year obligations.....	—25	-----	-----
Unobligated balance no longer available.....	55,132	-----	-----
Appropriation.....	-----	-----	-----

OBLIGATIONS BY OBJECTS

Number of employees end of year.....	0	-----	-----
01 Personal services: Positions other than permanent.....	\$42	-----	-----
02 Travel.....	4	-----	-----
07 Other contractual services: Services performed by other agencies.....	253	-----	-----
08 Supplies and materials.....	512	-----	-----
10 Lands and structures.....	1,912	-----	-----
Total obligations.....	2,723	-----	-----

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Balance brought forward:			
Unobligated.....	\$57,830	-----	-----
Obligated.....	2,080	-----	-----
Total budget authorizations available.....	59,910	-----	-----
EXPENDITURES AND BALANCES			
Total expenditures (out of prior authorizations): "Smoke jumper facilities, Forest Service".....	4,778	-----	-----
Unobligated balance no longer available (expiring for obligation).....	55,132	-----	-----
Total expenditures and balances.....	59,910	-----	-----

GENERAL PROVISIONS, FOREST SERVICE

SEC. 201. [Within the unit limit of cost fixed by law, the lump-sum appropriations and authorizations made for the Forest Service under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 133 passenger motor vehicles for replacement only, and for the hire of such vehicles, necessary in the conduct of the work of the Forest Service outside the District of Columbia.] Appropriations available to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed 179 passenger motor vehicles, of which 132 shall be for replacement only, and hire of such vehicles; operation and maintenance of aircraft and the purchase of not to exceed five, of which four shall be for replacement only; (b) employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in an amount not to exceed \$25,000; (c) maintenance, improvement, and construction of aircraft landing fields in, or adjacent to, the national forests, in an amount not to exceed \$250,000; (d) uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131); (e) purchase, erection, and alteration of buildings and other public improvements, but the cost of any such building, exclusive of the cost of constructing a water-supply or sanitary system and of connecting the same with any such building, and exclusive of any tower upon which a lookout house may be erected, shall not exceed \$25,000 (\$30,000 in Alaska): *Provided*, That one building may be constructed to serve the purposes of two or more buildings at a cost not to exceed the sum of the limitations for separate buildings: *Provided further*, That any building, the cost of which as improved was \$25,000 or more, shall not be improved within any fiscal year by an amount in excess of 5 per centum of such cost (5 U. S. C. 565a); and (f) expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U. S. C. 514).

SEC. 202. Of appropriations herein made which are available for the purchase of lands, not to exceed \$1 may be expended for each option to purchase any particular tract or tracts of land.]

SEC. [203] 202. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated to the Forest Service shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. [204] 203. No part of any appropriation to the Forest Service in this Act shall be used for publicity or propaganda purposes to support or defeat legislation pending before the Congress.

SEC. 204. The Secretary may sell at market value any property located in Yalobusha, Chickasaw, and Pontotoc counties, Mississippi, administered under title III of the Act of July 22, 1937, and suitable for return to private ownership under such terms and conditions as would not conflict with the purposes of said Act.

SEC. 205. Funds appropriated under this Act shall not be used for acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U. S. C. 513-519, 521), where such land is not within the boundaries of a national forest nor shall these lands or lands authorized for purchase in Sanders County, Montana, be acquired without the approval of the local government concerned. (Department of the Interior and Related Agencies Appropriation Act, 1957.)

Allocations and Allotments Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations or allotments from other appropriations are shown in the schedules of the parent appropriations, as follows:

"Watershed protection, Soil Conservation Service."
 "Flood prevention, Soil Conservation Service."
 "Agricultural conservation program, Agriculture."
 "Soil bank program, Agriculture."
 "Great Plains conservation program, Agriculture."
 "Forest highways, Bureau of Public Roads."
 "Aircraft and related procurement, Air Force."
 "Operation and maintenance, Air Force."
 "Military construction, Air Force."
 "Research and development, Air Force."
 "Army industrial fund, Army."
 "Construction, general, Corps of Engineers, Civil."
 "Procurement and production, Army."
 "Research and development, Army."
 "Research and development, Navy."
 "Servicewide supply and finance, Navy."
 "Construction and rehabilitation, Bureau of Reclamation."
 "Plant and equipment, Atomic Energy Commission."
 "Salaries and expenses, Advisory Committee on Weather Control."
 "Mutual security, funds appropriated to the President."
 "Salaries and expenses, civil defense functions of Federal agencies, Federal Civil Defense Administration."

SOIL CONSERVATION SERVICE

The Service, in cooperation with State and other agencies, aids in bringing about physical adjustments in land use to conserve the soil, water and plant resources, establish a permanent and balanced agriculture, and reduce the hazards of floods and sedimentation.

CONSERVATION OPERATIONS

Conservation Operations, Soil Conservation Service

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U. S. C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; and operation and maintenance of aircraft; [and furnishing of subsistence to employees; \$67,500,000] \$73,545,000: *Provided*, That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further*, That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil conservation district in such State, the agreements made by or on behalf of the United States with any such soil conservation district shall have the prior approval of such central State agency before they shall become effective as to such district: *Provided further*, That no part of this appropriation may

CURRENT AUTHORIZATIONS—Continued

SOIL CONSERVATION SERVICE—Continued

CONSERVATION OPERATIONS—continued

Conservation Operations, Soil Conservation Service—Continued

be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U. S. C. 590a-590f), in demonstration projects: *Provided further*, That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service. (5 U. S. C. 133t-133u, 511-512, 565a; 7 U. S. C. 1387; 16 U. S. C. 590q-1; 70 Stat. 188-198; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$67,500,000

Estimate 1958, \$73,545,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Assistance to soil conservation districts and other cooperators (total obligations).....	\$62,237,407	\$67,500,000	\$73,545,000
Financing:			
Comparative transfers to other accounts.....	7,241		
Unobligated balance no longer available.....	705,352		
Appropriation.....	62,950,000	67,500,000	73,545,000

PROGRAM AND PERFORMANCE

Assistance furnished soil conservation districts and other cooperators consists primarily of: (a) surveys to provide physical land facts needed for farm and ranch conservation planning and by other Federal, State, and local agencies and the public;

MAIN WORKLOAD FACTORS

[In millions of acres]

Type of survey	Total as of June 30, 1956	1956 actual	1957 estimate	1958 estimate
Soil surveys.....	508.6	31.6	37.6	47.8
Range surveys.....	55.5	10.8	19.8	20.2

(b) technical assistance in developing and applying farm and ranch conservation plans to get the best possible use and treatment of the land consistent with the landowner's plans for his soil, labor, equipment and financial resources:

MAIN WORKLOAD FACTORS

	1956 actual	1957 estimate	1958 estimate
Number of soil conservation districts.....	2,721	2,761	2,801
Number of soil conservation district cooperators.....	1,644,066	1,735,000	1,820,000
Soil conservation district cooperators having farm and ranch conservation plans.....	1,102,804	1,175,000	1,250,000
Number of cooperators applying conservation practices.....	745,665	820,000	880,000

(c) technical assistance in planning and installing group enterprises for erosion control and water management; (d) snow surveys to make streamflow forecasts as a basis for efficient crop management and seasonal use of water in the Western States; (e) observational field testing of promising conservation plant materials; and (f) technical assistance to agricultural conservation program participants in establishing specified conservation practices.

Proposed increases are to provide technical assistance to new soil conservation districts in developing and applying appropriate local programs of soil and water conservation; to furnish accelerated assistance to low-income farmers in selected areas; and to speed up soils surveys and the preparation of survey reports.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	12,525	14,212	14,900
Full-time equivalent of all other positions.....	599	660	600
Average number of all employees.....	10,485	11,416	11,808
Number of employees at end of year.....	13,420	14,500	15,000
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,830	\$4,739	\$4,704
Average grade.....	GS-6.4	GS-6.2	GS-6.2
01 Personal services:			
Permanent positions.....	\$49,345,393	\$53,441,804	\$55,463,800
Positions other than permanent.....	1,851,970	2,026,622	1,850,000
Regular pay above 52-week base.....	210,218		215,000
Payment above basic rate.....	209,098	203,634	205,000
Other payments for personal services.....	19,285	32,192	41,200
Total personal services.....	51,635,964	55,704,252	57,775,000
02 Travel.....	2,109,863	2,232,000	2,275,000
03 Transportation of things.....	368,089	378,000	400,000
04 Communication services.....	753,401	824,000	833,000
05 Rents and utility services.....	1,381,705	1,433,000	1,467,000
06 Printing and reproduction.....	383,761	507,000	558,000
07 Other contractual services.....	838,298	1,153,000	1,180,000
Services performed by other agencies.....	68,212	89,000	85,000
08 Supplies and materials.....	2,761,226	2,852,267	2,910,000
09 Equipment.....	1,871,967	2,233,000	2,465,200
10 Lands and structures.....		1,700	
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			3,484,000
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	34,817	57,000	75,000
15 Taxes and assessments.....	34,752	41,000	43,000
16 Investments and loans.....	50		
Subtotal.....	62,242,105	67,505,219	73,550,200
Deduct charges for quarters and subsistence.....	4,698	5,219	5,200
Total obligations.....	62,237,407	67,500,000	73,545,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$62,950,000	\$67,500,000	\$73,545,000
Obligated balance brought forward.....	5,390,578	4,282,342	5,600,354
Restored from certified claims account.....		68,012	
Total budget authorizations available.....	68,340,578	71,850,354	79,145,354
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	58,033,724	62,100,000	67,800,000
Out of prior authorizations.....	5,135,999	4,150,000	5,400,000
Total expenditures.....	63,169,723	66,250,000	73,200,000
Balance no longer available:			
Unobligated (expiring for obligations).....	705,352		
Other.....	183,161		
Obligated balance carried forward.....	4,282,342	5,600,354	5,945,354
Total expenditures and balances.....	68,340,578	71,850,354	79,145,354

WATERSHED PROTECTION

Watershed Protection, Soil Conservation Service

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954 (16 U. S. C. 1001-1007), and the provisions of the Act of April 27, 1935 (16 U. S. C. 590a-590f), to remain available until expended, \$17,500,000 \$25,500,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes: *Provided*, That not to exceed \$100,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a). (5 U. S. C. 511-512; 70 Stat. 1088-1090; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$17,500,000

Estimate 1958, \$25,500,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Investigations and planning.....	\$3,314,939	\$4,454,910	\$4,671,000
2. Installation of works of improvement.....	7,567,119	13,580,346	19,290,000
3. Loans and related expense.....			1,500,000
4. Surveys and investigations of water resources program.....	187,092	1,068,908	1,039,000
Total obligations.....	11,069,150	19,104,164	26,500,000
Financing:			
Comparative transfers to other accounts.....	5,757		
Unobligated balance brought forward.....	-1,679,071	-2,604,164	-1,000,000
Unobligated balance carried forward.....	2,604,164	1,000,000	
Appropriation.....	12,000,000	17,500,000	25,500,000

PROGRAM AND PERFORMANCE

The Department cooperates with the States and other agencies in planning and installing works of improvement in small watersheds to reduce damage from floodwater, sediment, and erosion and for the conservation, development, utilization, and disposal of water. It provides loans to local organizations to help them finance their share of the cost of certain works of improvement. The Department also cooperates in making surveys and investigations of watersheds of rivers and other waterways as the basis for the development of coordinated interagency programs.

Proposed increases are to provide for acceleration in the development of work plans for small watershed projects proposed by local sponsors; to enable payment of the annual costs of flood prevention features of works of improvement installed in projects and of the Federal share of the annual cost of agricultural water management phases of projects being planned; and to initiate making of loans to local organizations to finance the local share of project costs.

1. *Investigations and planning.*—Investigations and surveys are made of proposed small watershed projects and work plans are prepared in cooperation with the local sponsors. These plans outline proposed works of improvement and estimated costs, a cost-benefit analysis, cost-sharing and maintenance arrangements, a proposed schedule of operations, and other facts necessary to determine whether Federal participation in project development should be approved.

MAIN WORKLOAD FACTORS

[Cumulative]

Item	Fiscal year			
	1955	1956	1957	1958
Applications for watershed projects.....	353	547	747	947
Watersheds approved for planning.....	68	172	291	421
Watershed work plans completed.....		32	136	266
Planning suspended.....		10	15	20
Planning in process.....	68	130	140	135
Balance:				
To be planned.....		175	154	122
Not suitable for development of plans.....		200	302	404

2. *Installation of works of improvement.*—After approval of the projects construction plans and specifications for specific flood prevention or water management structures are prepared.

Local sponsoring organizations let contracts for the construction work on other than Federal lands, usually to local contractors. Engineering supervision is provided for this construction work or advances of funds made to the local organizations to employ private engineers to supervise it. Provision is also made for acceleration of the planning and application of land treatment measures in the watersheds to prevent erosion and protect the

structural works of improvement from flood and sediment damage.

It is estimated that installation of works of improvement will be underway in 83 watersheds by the end of 1957 and these will be continued in full operation during 1958. Estimates also provide for starting the installation of works of improvement in 80 new watershed projects during 1958. The Federal Government's commitments for "Public Law 566 projects" are estimated as follows:

Explanation	[In thousands]					
	Fiscal year		Fiscal year		Fiscal year	
	1956 actual	1957 estimate	1956 actual	1957 estimate	1956 actual	1957 estimate
	Num-ber	Amount	Num-ber	Amount	Num-ber	Amount
Projects continued from prior years and estimated cost of completion at beginning of year.....	---	---	13	\$10,971	83	\$62,920
Projects initiated during the year and estimated cost of completion.....	13	\$10,987	70	57,120	80	65,280
Total approved projects and estimated cost of completion.....	13	10,987	83	68,091	163	128,200
Deduct: Amounts obligated during year for works of improvement on:						
(a) Projects initiated during the year.....	xx	16	xx	3,871	xx	5,689
(b) Other projects.....	xx	---	xx	1,300	xx	8,463
Total.....	xx	16	xx	5,171	xx	14,152
Total projects in progress at end of year and estimated cost of completion.....	13	10,971	83	62,920	163	114,048

Installation of improvement measures should be completed in about 33 of the 57 "pilot" watersheds by the end of 1958. The Federal Government's commitments for the "pilot projects" are estimated as follows:

Explanation	[In thousands]					
	Fiscal year		Fiscal year		Fiscal year	
	1956 actual	1957 estimate	1956 actual	1957 estimate	1956 actual	1957 estimate
	Num-ber	Amount	Num-ber	Amount	Num-ber	Amount
Approved projects and estimated cost of completion at beginning of year.....	58	\$25,181	58	\$17,630	57	\$9,164
Discontinued projects and estimated cost of completion.....	--	---	1	57	--	---
Deduct:						
Amounts obligated during year for:						
(a) Projects completed during the year.....	--	---	--	---	33	1,362
(b) Other projects.....	xx	7,551	xx	8,409	xx	3,776
Total.....	xx	7,551	1	8,466	33	5,138
Total projects in progress at end of year and estimated cost of completion.....	58	17,630	57	9,164	24	4,026

3. *Loans and related expenses.*—Loans are made to local organizations to finance the local share of the cost of works of improvement installed in the small watersheds. Repayment with interest is required in not more than 50 years after principal benefits of improvements become available.

4. *Surveys and investigations of water resources programs.*—Current work includes participation in the reviews of the lower Mississippi River and tributaries project, the upper Mississippi River area, and the Delaware River area at the request of the Corps of Engineers, Department of the Army, and, at the request of the Department of the Interior, reappraisal of the agricultural benefits anticipated from the upper Colorado River storage project. In prospect is a survey of the Kansas River area in cooperation with the Kansas State Water Board. The Department is also represented on river basin interagency committees in other major river basin areas.

CURRENT AUTHORIZATIONS—Continued

SOIL CONSERVATION SERVICE—Continued

WATERSHED PROTECTION—continued

Watershed Protection, Soil Conservation Service—Continued

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	778	1,218	1,596
Full-time equivalent of all other positions.....	110	214	240
Average number of all employees.....	794	1,384	1,659
Number of employees at end of year.....	809	1,280	1,650
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,830	\$4,739	\$4,704
Average grade.....	GS-6.4	GS-6.2	GS-6.2
01 Personal services:			
Permanent positions.....	\$3,633,583	\$5,804,125	\$6,550,000
Positions other than permanent.....	328,673	659,487	750,000
Regular pay above 52-week base.....	14,581		25,000
Payments above basic rates.....	57,354	67,656	75,000
Other payments for personal services.....	1,729		
Total personal services.....	4,035,920	6,531,268	7,400,000
02 Travel.....	407,596	640,000	750,000
03 Transportation of things.....	36,686	87,000	105,000
04 Communication services.....	43,723	77,000	94,000
05 Rents and utility services.....	52,951	65,000	79,000
06 Printing and reproduction.....	52,363	132,000	160,000
07 Other contractual services.....	5,085,471	8,257,256	6,600,000
Services performed by other agencies.....	80,362	101,000	115,000
08 Supplies and materials.....	223,115	431,000	500,000
09 Equipment.....	299,474	339,000	500,000
11 Grants, subsidies, and contributions.....		1,042,000	7,010,430
Contribution to retirement fund.....			409,200
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	1,515	2,500	3,500
15 Taxes and assessments.....	6,229	18,000	20,000
Subtotal.....	10,325,405	17,723,024	23,746,130
Deduct echarges for quarters and subsistence.....	317	316	316
Total, Soil Conservation Service.....	10,325,088	17,722,708	23,745,814
ALLOTMENT TO AGRICULTURAL RESEARCH SERVICE			
Total number of permanent positions.....	16	36	36
Full-time equivalent of all other positions.....	1	2	2
Average number of all employees.....	12	35	35
Number of employees at end of year.....	12	36	36
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	\$5,262
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3,829	\$3,911	\$3,909
01 Personal services:			
Permanent positions.....	\$85,974	\$202,800	\$202,000
Positions other than permanent.....	433	10,200	10,000
Regular pay above 52-week base.....	410		1,000
Payment above basic rates.....	189		
Total personal services.....	87,006	213,000	213,000
02 Travel.....	8,712	39,000	39,000
03 Transportation of things.....	462		
04 Communication services.....	15	100	100
07 Other contractual services.....	511	1,000	1,000
Services performed by other agencies.....	5,536	20,700	22,000
08 Supplies and materials.....	146	4,600	4,600
09 Equipment.....	2,490	1,000	1,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			12,700
15 Taxes and assessments.....	22	600	600
Total, Agricultural Research Service.....	104,900	280,000	294,000
ALLOTMENT TO FOREST SERVICE			
Total number of permanent positions.....	45	55	55
Full-time equivalent of all other positions.....	17	34	34
Average number of all employees.....	64	103	103
Number of employees at end of year.....	84	94	94
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,073
Average grade.....	GS-6.6	GS-6.6	GS-6.7
01 Personal services:			
Permanent positions.....	\$259,665	\$378,898	\$378,898
Positions other than permanent.....	63,731	111,430	111,430
Regular pay above 52-week base.....	1,070		1,450
Payments above basic rates.....	589	1,080	1,080
Other payments for personal services.....		2,040	2,040
Total personal services.....	325,055	493,448	494,898

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
ALLOTMENT TO FOREST SERVICE—con.			
02 Travel.....	\$36,770	\$80,000	\$60,000
03 Transportation of things.....	3,850	5,300	4,000
04 Communication services.....	3,454	5,500	4,000
05 Rents and utility services.....	1,212	2,500	1,750
06 Printing and reproduction.....	804	2,400	1,750
07 Other contractual services.....	24,928	45,000	32,500
Services performed by other agencies.....	38,923	60,000	44,500
08 Supplies and materials.....	25,907	49,971	38,433
09 Equipment.....	6,850	12,000	9,000
10 Land and structures.....		9,000	6,500
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	119,648	260,000	195,900
13 Refunds, awards, and indemnities.....		200	200
15 Taxes and assessments.....	1,193	2,200	1,645
Subtotal.....	588,594	1,027,519	918,376
Deduct echarges for quarters and subsistence.....	42	190	190
Total, Forest Service.....	588,552	1,027,329	918,186
ALLOTMENT TO FARMERS' HOME ADMINISTRATION			
Average number of all employees.....			3
Number of employees at end of year.....			3
Average salaries and grades:			
General schedule grades:			
Average salary.....			\$7,660
Average grade.....			GS-10.7
01 Personal services:			
Permanent positions.....			\$22,980
Regular pay above 52-week base.....			88
Total personal services.....			23,068
02 Travel.....			4,732
04 Communication services.....			300
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			1,400
16 Investments and loans.....			1,470,500
Total, Farmers' Home Administration.....			1,500,000
ALLOCATION TO GEOLOGICAL SURVEY, DEPARTMENT OF THE INTERIOR			
07 Other contractual services.....	50,610	74,127	40,100
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			1,900
Total, Geological Survey.....	50,610	74,127	42,000
Total obligations.....	11,069,150	19,104,164	26,500,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$12,000,000	\$17,500,000	\$25,500,000
Balance brought forward:			
Unobligated.....	1,679,071	2,604,164	1,000,000
Obligated.....	2,194,069	3,670,992	7,500,156
Total budget authorizations available.....	15,873,140	23,775,156	34,000,156
EXPENDITURES AND BALANCES			
Expenditures:			
Out of current authorizations.....	9,597,984	8,999,844	16,499,844
Out of prior authorizations.....		6,275,156	8,500,156
Total expenditures.....	9,597,984	15,275,000	25,000,000
Balances carried forward:			
Unobligated.....	2,604,164	1,000,000	
Obligated.....	3,670,992	7,500,156	9,000,156
Total expenditures and balances.....	15,873,140	23,775,156	34,000,156

FLOOD PREVENTION

Flood Prevention, Soil Conservation Service

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 (33 U. S. C. 701-709), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), [at rates for individuals not to

exceed \$50 per diem,] to remain available until expended, [\$12,000,000] \$13,220,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated. (5 U. S. C. 511-512; *Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.*)

Appropriated 1957, \$12,000,000 Estimate 1958, \$13,220,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Preliminary examinations and surveys.....	\$34,370		
2. Works of improvement.....	9,936,554	\$13,740,205	\$13,220,000
Total obligations.....	9,970,924	13,740,205	13,220,000
Financing:			
Recovery of prior year obligations.....	-3,131		
Unobligated balance brought forward.....	-1,707,998	-1,740,205	
Unobligated balance carried forward.....	1,740,205		
Appropriation.....	10,000,000	12,000,000	13,220,000

PROGRAM AND PERFORMANCE

The Department cooperates with soil conservation districts and other local organizations in planning and installing works of improvement in the various subwatersheds of the 11 watersheds authorized by the Flood Control Act of 1944. Measures primarily for flood prevention such as floodwater retarding and sediment control structures, debris barriers and basins, deflectors, diversion ditches and dikes, stream-bank protection, and other improvements are being installed on a cost-sharing basis. Work is generally done by local contractors. Land-treatment measures which contribute to flood prevention are installed by landowners with technical and other assistance furnished by the Department.

The proposed increase is to accelerate the installation of additional works of improvement in those subwatersheds where the local people desire to move ahead with the planned program more rapidly. They are able to furnish the necessary easements and rights-of-way for the structural improvements, share construction costs, and accept responsibility for maintenance of completed structures. Measures installed in the watersheds are complementary to the main-stream flood control works constructed by the Corps of Engineers and other agencies.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
SOIL CONSERVATION SERVICE			
Total number of permanent positions.....	649	650	665
Full-time equivalent of all other positions.....	162	155	142
Average number of all employees.....	740	790	763
Number of employees at end of year.....	839	834	840
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,830	\$4,739	\$4,704
Average grade.....	GS-6.4	GS-6.2	GS-6.2
01 Personal services:			
Permanent positions.....	\$2,710,780	\$2,973,181	\$2,810,000
Positions other than permanent.....	440,365	418,842	400,000
Regular pay above 52-week base.....	10,939		11,000
Payment above basic rates.....	31,592	41,900	40,000
Other payments for personal services.....	1,884		
Total personal services.....	3,195,560	3,433,923	3,261,000
02 Travel.....	119,553	139,493	125,000
03 Transportation of things.....	15,797	21,575	20,000
04 Communication services.....	35,149	42,064	40,000
05 Rents and utility services.....	51,735	59,749	59,000
06 Printing and reproduction.....	14,886	19,178	17,000
07 Other contractual services.....	4,504,703	7,757,513	7,163,400
Services performed by other agencies.....	65,080	81,167	75,000

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
SOIL CONSERVATION SERVICE—continued			
08 Supplies and materials.....	\$578,856	\$525,121	\$525,000
09 Equipment.....	122,139	125,389	125,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			194,600
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	811	2,302	2,500
15 Taxes and assessments.....	9,225	8,898	9,000
Total, Soil Conservation Service.....	8,713,494	12,216,372	11,616,500
ALLOTMENT TO FOREST SERVICE			
Total number of permanent positions.....	91	109	109
Full-time equivalent of all other positions.....	159	159	159
Average number of all employees.....	253	260	260
Number of employees at end of year.....	208	224	224
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,073
Average grade.....	GS-6.6	GS-6.6	GS-6.7
Ungraded positions: Average salary.....	\$4,168	\$4,266	\$4,266
01 Personal services:			
Permanent positions.....	\$408,627	\$429,946	\$429,946
Positions other than permanent.....	321,565	389,330	389,330
Regular pay above 52-week base.....	1,520		1,650
Payment above basic rates.....	4,991	5,905	5,905
Total personal services.....	736,703	825,181	826,831
02 Travel.....	13,677	15,600	15,600
03 Transportation of things.....	6,222	6,700	6,700
04 Communication services.....	6,835	6,900	6,900
05 Rents and utility services.....	7,986	8,000	8,000
06 Printing and reproduction.....	100		
07 Other contractual services.....	132,870	225,295	245,430
Services performed by other agencies.....	60,675	70,225	70,225
08 Supplies and materials.....	293,568	347,382	378,864
09 Equipment.....	3,746	6,750	6,750
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	16,988	33,750	33,750
13 Refunds, awards, and indemnities.....	60		26,400
15 Taxes and assessments.....	5,930	6,550	6,550
Subtotal.....	1,285,360	1,552,333	1,632,000
Deduct charges for quarters and subsistence.....	27,930	28,500	28,500
Total, Forest Service.....	1,257,430	1,523,833	1,603,500
Total obligations.....	9,970,924	13,740,205	13,220,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$10,000,000	\$12,000,000	\$13,220,000
Balance brought forward:			
Unobligated.....	1,707,998	1,740,205	
Obligated.....	2,765,847	2,907,454	5,447,659
Total budget authorizations available.....	14,473,845	16,647,659	18,667,659
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	9,826,186	6,552,341	7,152,341
Out of prior authorizations.....		4,647,659	5,447,659
Total expenditures.....	9,826,186	11,200,000	12,600,000
Balance carried forward:			
Unobligated.....	1,740,205		
Obligated.....	2,907,454	5,447,659	6,067,659
Total expenditures and balances.....	14,473,845	16,647,659	18,667,659

WATER CONSERVATION AND UTILIZATION PROJECTS

Water Conservation and Utilization Projects, Soil Conservation Service

For expenses necessary to carry out the functions of the Department under the Acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590v-z-10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033-1039), relating to water conservation and utilization projects, to remain available until expended, [\$232,000] \$350,000, which sum shall be merged with the unexpended balances of funds heretofore appropriated to said Department for the purpose of said Acts. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.*)

Appropriated 1957, \$232,000

Estimate 1958, \$350,000

CURRENT AUTHORIZATIONS—Continued

SOIL CONSERVATION SERVICE—Continued

WATER CONSERVATION AND UTILIZATION PROJECTS—continued

Water Conservation and Utilization Projects, Soil Conservation Service—Continued

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Development of land for irrigation (total obligations).....	\$348,743	\$357,757	\$350,000
Financing:			
Unobligated balance brought forward.....	—474,500	—125,757	
Unobligated balance carried forward.....	125,757		
Appropriation.....		232,000	350,000

PROGRAM AND PERFORMANCE

The Service develops efficient irrigation farming units for sale on specific projects where the Bureau of Reclamation constructs the dams, reservoirs, and principal canals. Land classification and topographic surveys are made, and project lands are subdivided into farm units of economic size. The land is cleared and leveled. Farm ditches, drains, and other water-control structures are built. Pending sale to qualified farm families, the developed farm units are leased under specific use conditions to protect and improve the project lands or they are planted to cover crops to prevent wind erosion. Technical guidance on irrigation and conservation is furnished to farm operators until the project is closed.

The Eden Valley project in Wyoming is the only remaining active project. Certain Department of the Interior and State of Wyoming lands are being exchanged with lands held by the Department of Agriculture to provide an improved arrangement of farm units on the project. Sale of the first irrigation farm units on the project is expected prior to the 1957 crop season.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	33	27	26
Full-time equivalent of all other positions.....	24	30	28
Average number of all employees.....	50	57	56
Number of employees at end of year.....	76	72	71
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,830	\$4,739	\$4,704
Average grade.....	GS-6.4	GS-6.2	GS-6.2
01 Personal services:			
Permanent positions.....	\$127,975	\$124,637	\$125,000
Positions other than permanent.....	93,685	99,806	95,000
Regular pay above 52-week base.....	473		480
Payment above basic rates.....	28,091	40,350	31,520
Total personal services.....	250,224	264,793	252,000
02 Travel.....	4,259	4,200	4,200
03 Transportation of things.....	902	1,400	1,400
04 Communication services.....	1,625	1,663	1,600
05 Rents and utility services.....	4,687	4,100	4,100
06 Printing and reproduction.....	81	500	500
07 Other contractual services.....	3,588	2,150	2,200
08 Supplies and materials.....	77,349	71,901	69,800
09 Equipment.....	7,958	9,150	9,000
10 Lands and structures.....	23		
11 Grants, subsidies, and contributions.....	144		
Contribution to retirement fund.....			7,700
15 Taxes and assessments.....	2,618	3,000	2,500
Subtotal.....	353,458	362,857	355,000
Deduct charges for quarters and subsistence.....	4,715	5,100	5,000
Total obligations.....	348,743	357,757	350,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$232,000	\$350,000
Balance brought forward:			
Unobligated.....	\$474,500	125,757	
Obligated.....	38,201	29,821	29,578
Total budget authorizations available.....	512,701	387,578	379,578
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....		202,422	321,000
Out of prior authorizations.....	337,123	155,578	29,000
Total expenditures.....	337,123	358,000	350,000
Balance carried forward:			
Unobligated.....	125,757		
Obligated.....	29,821	29,578	29,578
Total expenditures and balances.....	512,701	387,578	379,578

Miscellaneous

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriation, as follows:

- "Great Plains conservation program, Agriculture."
- "Soil bank program, Agriculture."
- "Operating expenses, Atomic Energy Commission."
- "Operation and maintenance, Army."
- "Mutual security, funds appropriated to the President."

GREAT PLAINS CONSERVATION PROGRAM

Great Plains Conservation Program, Agriculture

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16 (b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956 (70 Stat. 1115-1117), \$20,000,000, to remain available until expended.

Estimate 1958, \$20,000,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Great Plains conservation program (total obligations).....			\$20,000,000
Financing:			
Appropriation.....			20,000,000

PROGRAM AND PERFORMANCE

The Great Plains conservation program, authorized by Public Law 1021, approved August 7, 1956, provides cost-sharing assistance to farmers and ranchers in counties designated by the Secretary in the States of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming. This assistance is limited to \$150 million in total over a 10-year period and \$25 million in any program year. It will supplement existing conservation programs and is a voluntary program designed to accelerate the conservation land treatment and the rehabilitation of the agriculture of the area through long-term conversions in land use on individual farms and ranches.

Producers will be given technical assistance in developing long-range farm or ranch conservation plans which will coordinate all available resources of the Department and

other Federal, State, and local agencies in meeting the program objectives of both the individual landowner and the general public.

Cost-sharing assistance will be given producers under contracts of not to exceed 10 years and will average not more than 80 percent of the cost of the changeover. Federal funds will be committed for sharing the cost of eligible conservation practices to be progressively installed by the producer during the contract period in accordance with a conservation plan developed for his farm. Under the terms of the contract the producer agrees to (1) carry out a plan of farming operations which incorporates such soil and water conservation practices as are determined to be practicable for maximum mitigation of climatic hazards, (2) follow a schedule of proposed changes in land use, (3) install approved conservation practices designed to adapt the farming operations to a system which will provide protection to the farm or ranch and the area generally, from erosion and deterioration by natural causes.

The proposed program differs from the agricultural conservation program in that it provides for the necessary cost-sharing assistance over a period of years long enough to complete the land-use adjustment in orderly progression. It also differs from the conservation reserve part of the soil bank program in that it is aimed at obtaining adjustments in land use rather than a reduction in production obtained through annual rental payments. The program encourages permanent shifts in land use taking into consideration the conditions peculiar to the Great Plains area.

The producer would be permitted to utilize the land in grass cover for grazing purposes consistent with good range management. Cost-sharing assistance under the program for which \$17,600,000 is included in the 1958 estimate would be available also for conservation measures on other land on the farm than that being shifted if the conservation measures are a necessary part of the land-use adjustment. The remainder of the obligations shown will cover technical assistance and administrative costs.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....			283
Full-time equivalent of all other positions.....			7
Average number of all employees.....			296
Number of employees at end of year.....			291
Average salaries and grades:			
General schedule grades:			
Average salary.....			\$4,457
Average grade.....			GS-6.6
01 Personal services:			
Permanent positions.....			\$1,288,445
Positions other than permanent.....			23,000
Regular pay above 52-week base.....			5,085
Total personal services.....			1,316,530
02 Travel.....			66,100
03 Transportation of things.....			25,000
04 Communication services.....			16,500
05 Rents and utility services.....			30,000
06 Printing and reproduction.....			19,700
07 Other contractual services.....			20,000
Advanced to—			
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938” (7 U. S. C. 1392).....			80,000
“Local administration, sec. 388, Agricultural Adjustment Act of 1938” (7 U. S. C. 1388).....			350,000
08 Supplies and materials.....			64,170
09 Equipment.....			248,000
11 Grants, subsidies, and contributions.....			17,680,000
Contribution to retirement fund.....			82,500
15 Taxes and assessments.....			500
Total obligations.....			20,000,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....			\$20,000,000
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....			5,766,000
Obligated balance carried forward.....			14,234,000
Total expenditures and balances.....			20,000,000

AGRICULTURAL CONSERVATION PROGRAM SERVICE

Agricultural Conservation Program, Agriculture

For necessary expenses to carry into effect [the provisions of sections 7 to 17, inclusive,] the program authorized in sections 7 to 15, 16 (a), and 17 of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590(o), 590p (a)-590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; [\$227,500,000] \$237,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building [practices] and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, [1956] 1957, carried out during the period July 1, [1955] 1956, to December 31, [1956] 1957, inclusive: *Provided*, That not to exceed [\$24,698,000] \$26,402,400 of the total sum provided under this head shall be available during the current fiscal year for [salaries and other] administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than [\$4,773,800] \$5,025,800 shall be transferred to the appropriation account “Administrative expenses, section 392, Agricultural Adjustment Act of 1938”: *Provided further*, That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of title 18, United States Code: *Provided further*, That none of the funds herein appropriated [or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order Numbered 9069, of February 23, 1942,] shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amount shall be available for [salaries and other] administrative expenses in connection with the formulation and administration of the [1957] 1958 program of soil-building [practices] and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, and no participant shall receive more than \$1,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community); but the payments or grants under such programs shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committees appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h (b)), for the respective States: *Provided further*, That not to exceed 5 per centum of the allocation for the [1957] 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, [and the funds so allotted may be placed in a single account for each State,] and

CURRENT AUTHORIZATIONS—Continued

AGRICULTURAL CONSERVATION PROGRAM
SERVICE—Continued

Agricultural Conservation Program, Agriculture—Continued

shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further*, That for the [1957] 1958 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and \$1,000,000 shall be available for conservation practices related directly to flood prevention work in approved watersheds: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels. (70 Stat. 105, 597, 1032-4; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$227,500,000 Estimate 1958, \$237,000,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Cost-sharing assistance to farmers.....	\$249,820,109	\$257,000,000	\$245,000,000
2. Repayment of loans from Commodity Credit Corporation.....	7,450,000	13,966,593	35,450,000
Total obligations.....	257,270,109	270,966,593	280,450,000
Financing:			
Unobligated balance brought forward.....	-376,216	-16,593	-----
Recovery of prior year obligations.....	23,095	-----	-----
Advances from Commodity Credit Corporation (loans).....	-43,450,000	-43,450,000	-43,450,000
Unobligated balance carried forward.....	16,593	-----	-----
Unobligated balance no longer available.....	1,016,419	-----	-----
Appropriation.....	214,500,000	227,500,000	237,000,000

PROGRAM AND PERFORMANCE

The program is designed to encourage conservation by sharing with farmers and ranchers the cost of carrying out approved soil-building and soil- and water-conserving practices which farmers generally would not perform to the needed extent with their own resources. The rate of cost-sharing, which may be given in the form of conservation materials and services or a payment after completion of the practice, averages approximately 50 percent of the cost.

Conservation measures include primarily (1) establishment of permanent protective cover, (2) improvement and protection of established vegetative cover, (3) conservation and disposal of water, (4) establishment of temporary vegetative cover, and (5) temporary protection of soil from wind and water erosion.

The national program is formulated by the Service after consultation with representatives of agencies and organizations interested in conservation in the States and areas and

is recommended to the Secretary jointly by this Service, the Soil Conservation Service, and the Forest Service. Upon approval by the Secretary of the program for the year, a program is developed for each State and county by the agricultural stabilization and conservation State and county committees and representatives of the Soil Conservation Service and the Forest Service in collaboration with representatives of the land-grant colleges, Farmers' Home Administration, State soil conservation committees, local soil conservation districts, and other agencies interested in conservation. The program is administered by farmer-elected county and community committeemen with responsibility for the technical phases of designated permanent type practices assumed by the Soil Conservation Service and Forest Service in their respective fields.

Funds are distributed among the States on the basis of conservation needs. They are, in turn, distributed by the agricultural stabilization and conservation State committees to counties, and the agricultural stabilization and conservation county committees make commitments of conservation practice cost-sharing to eligible farmers and ranchers.

Loans from the Commodity Credit Corporation to the Secretary of Agriculture are used to make advance payments to vendors for conservation materials and services furnished to farmers and ranchers in connection with the current year program prior to the time funds are appropriated therefor. Repayment is made during the current year from balances available from prior years' appropriations or in the succeeding year from the new funds appropriated. The status of the loan account is:

SCHEDULE OF LOANS AND REPAYMENTS

	1955	1956	1957	Total
Received by loan from Commodity Credit Corporation.....	\$43,450,000	\$43,450,000	\$43,450,000	\$130,350,000
Interest.....	5,542	12,029	16,593	34,164
Total loans.....	43,455,542	43,462,029	43,466,593	130,384,164
Repaid or to be repaid from appropriations for fiscal years:				
1952.....	502,113	-----	-----	502,113
1953.....	2,103,429	104,316	-----	2,207,745
1954.....	33,400,000	1,400,000	-----	34,800,000
1955.....	-----	28,007,713	1,000,000	29,007,713
1956.....	7,450,000	-----	7,000,000	14,450,000
1957.....	-----	13,950,000	16,593	13,966,593
1958.....	-----	-----	35,450,000	35,450,000
Total repayments.....	43,455,542	43,462,029	43,466,593	130,384,164

It is anticipated that authority will be sought in 1957 to make available for wind erosion control and other emergency conservation practices, not to exceed \$25 million of the balances which it is estimated will be unearned under the 1955 agricultural conservation program. This amount is shown as an estimated unobligated amount in the schedule.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
AGRICULTURAL CONSERVATION PROGRAM SERVICE			
Total number of permanent positions.....	58	66	68
Average number of all employees.....	52	62	64
Total number of employees at end of year.....	58	66	68
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,314	\$6,375	\$6,497
Average grade.....	GS-7.8	GS-8.0	GS-8.2
01 Personal services:			
Permanent positions.....	\$337,871	\$408,400	\$425,700
Regular pay above 52-week base.....	1,282	-----	1,500
Total personal services.....	339,153	408,400	427,200

OBLIGATIONS BY OBJECTS—continued

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
AGRICULTURAL CONSERVATION PROGRAM SERVICE—continued			
02 Travel.....	\$33,630	\$35,000	\$46,900
03 Transportation of things.....	461	1,200	1,200
04 Communication services.....	5,829	6,500	6,900
06 Printing and reproduction.....	8,154	7,000	8,000
07 Other contractual services.....	3,968	4,100	4,100
Advanced to "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938" (7 U. S. C. 1392).....	20,559	20,559	21,520
08 Supplies and materials.....	3,535	3,000	3,000
09 Equipment.....	8,823	2,000	2,000
11 Grants, subsidies, and contributions: Contribution to retirement fund.....	233,168,435	245,264,593	253,011,100
15 Taxes and assessments.....	133	200	200
Total, Agricultural Conservation Program Service.....	233,592,680	245,752,552	253,558,850
ALLOTMENT TO COMMODITY STABILIZATION SERVICE			
Total number of permanent positions.....	120	127	127
Average number of all employees.....	117	125	125
Total number of employees at end of year.....	130	132	132
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,524	\$4,578	\$4,602
Average grade.....	GS-5.4	GS-5.4	GS-5.5
01 Personal services:			
Permanent positions.....	\$498,731	\$516,949	\$515,300
Regular pay above 52-week base.....	1,788	2,000	2,000
Payment above basic rates.....	15,529	3,505	3,000
Total personal services.....	516,048	520,454	520,300
02 Travel.....	1,578	4,250	4,300
03 Transportation of things.....	18,610	23,500	23,500
04 Communication services.....	5,898	4,207	4,200
05 Rents and utility services.....	15,743	16,160	16,000
06 Printing and reproduction.....	1,807	2,200	2,200
07 Other contractual services.....	317,649	238,744	240,000
Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938" (7 U. S. C. 1392).....	4,112,741	4,270,656	4,462,075
"Local administration, sec. 388, Agricultural Adjustment Act of 1938" (7 U. S. C. 1388).....	18,378,200	19,816,385	21,254,385
Services performed by other agencies.....	28,431	5,650	5,700
08 Supplies and materials.....	150,769	171,000	170,000
09 Equipment.....	13,075	16,600	16,600
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			32,500
13 Refunds, awards, and indemnities.....	7,462	325	300
15 Taxes and assessments.....	469	910	900
Total, Commodity Stabilization Service.....	23,568,480	25,091,041	26,752,960
ALLOTMENT TO FOREST SERVICE			
Total number of permanent positions.....	14	15	16
Full-time equivalent of all other positions.....	1	3	3
Average number of all employees.....	16	19	20
Number of employees at end of year.....	14	15	16
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,074
Average grade.....	GS-6.6	GS-6.6	GS-6.7
01 Personal services:			
Permanent positions.....	\$81,968	\$84,649	\$90,089
Positions other than permanent.....	2,885	11,010	13,730
Regular pay above 52-week base.....	295	300	300
Payment above basic rates.....	45	495	495
Total personal services.....	85,193	96,154	104,614
02 Travel.....	6,348	8,200	9,200
03 Transportation of things.....	232	300	300
04 Communication services.....	1,021	1,200	1,200
05 Rents and utility services.....	2,692	2,800	2,800
07 Other contractual services.....	662	400	450
Services performed by other agencies.....	10,264	10,500	10,200
08 Supplies and materials.....	1,207	2,021	2,811
09 Equipment.....	1,245	1,300	1,300
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			5,190
15 Taxes and assessments.....	85	125	125
Total, Forest Service.....	108,949	123,000	138,190
Total obligations.....	257,270,109	270,966,593	280,450,000

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$214,500,000	\$227,500,000	\$237,000,000
Balance brought forward:			
Unobligated.....	376,216	16,593	-----
Obligated.....	58,349,390	56,566,717	39,548,007
Restored from certified claims account.....	-----	464,697	-----
Total budget authorizations available.....	273,225,606	284,548,007	276,548,007
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations:			
Cost-sharing assistance to farmers.....	156,709,396	177,050,000	157,550,000
Repayment of loan to Commodity Credit Corporation.....	7,450,000	13,950,000	35,450,000
Out of prior authorizations:			
Cost-sharing assistance to farmers.....	21,494,205	21,000,000	35,000,000
Repayment of loan to Commodity Credit Corporation.....	29,507,552	8,000,000	-----
Total expenditures.....	215,161,153	220,000,000	228,000,000
Balance no longer available:			
Unobligated (expiring for obligation).....	1,016,419	-----	-----
Other.....	464,724	-----	-----
Balance transferred to schedule for "Emergency conservation measures, Agricultural Conservation Program Service," under the head "Proposed for later transmission" at the end of this chapter.....	-----	25,000,000	-----
Balance carried forward:			
Unobligated.....	16,593	-----	-----
Obligated.....	56,566,717	39,548,007	48,548,007
Total expenditures and balances.....	273,225,606	284,548,007	276,548,007

Miscellaneous

Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments from other appropriations are shown in the schedules of the parent appropriation "Soil bank program, Agriculture."

AGRICULTURAL MARKETING SERVICE

MARKETING RESEARCH AND SERVICE

Marketing Research and Service, Agricultural Marketing Service

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627) and other laws, including the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 U. S. C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed **[\$7,500] \$15,000**, except for two buildings to be constructed or improved at a cost not to exceed \$25,000 each, and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or **[2] 5** per centum of the cost of the building, whichever is greater:

Marketing research and agricultural estimates: For research and development relating to agricultural marketing and distribution, for analyses relating to farm prices, income and population, and demand for farm products, **[and]** for crop and livestock estimates **[-; \$13,200,000]**, and for acquisition of land; **\$15,482,500**: *Provided*, That not less than \$350,000 of the funds contained in this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and the consumer: *Provided further*, That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating, or publishing a report stating the intention of farmers as to the acreage to be planted in cotton, or for estimates of apple production for other than the commercial crop.

Marketing services: For services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States; **[\$13,020,000] \$15,186,000**, including not to exceed \$25,000 for

CURRENT AUTHORIZATIONS—Continued

AGRICULTURAL MARKETING SERVICE—Continued

MARKETING RESEARCH AND SERVICE—continued

Marketing Research and Service, Agricultural Marketing Service—Continued

employment [at rates not to exceed \$50 per diem, except for] (including employment in rate cases [for which] at not to exceed \$100 per diem [may be paid,]) pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in carrying out section 201 (a) to 201 (d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U. S. C. 1291) and section 203 (j) of the Agricultural Marketing Act of 1946. (5 U. S. C. 511-512, 541a, 556b, 563-564, 575; 7 U. S. C. 51-65, 71-87, 91-99, 181-229, 241-273, 411, 411a, 411b, 414a, 415b-415e, 423, 440, 471-476, 491-497, 499a-s, 501-508, 511-511q, 516, 581-589, 951-957, 1551-1610; 15 U. S. C. 251-257i; 21 U. S. C. 94a; 26 U. S. C. 1920-1935; 31 U. S. C. 725d; 70 Stat. 508, 726-727, 780, 908; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$26,220,000 Estimate 1958, * \$30,668,500

* Includes \$249,500 for activities previously carried under "Agricultural adjustment programs, Commodity Stabilization Service." The amounts obligated in 1956 and 1957 are shown in the schedule as comparative transfers.

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Direct obligations:			
1. Marketing research and agricultural estimates:			
(a) Marketing research.....	\$5,652,276	\$6,742,600	\$8,022,100
(b) Economic and statistical analysis.....	1,361,183	1,464,500	1,723,300
(c) Crop and livestock estimates.....	4,626,854	5,229,900	5,737,100
Total, marketing research and agricultural estimates.....	11,640,313	13,437,000	15,482,500
2. Marketing services:			
(a) Market news service.....	3,891,592	4,179,000	4,611,800
(b) Inspection, grading and classing, and standardization.....	6,779,512	6,807,500	8,130,000
(c) Freight rate services.....	166,214	170,700	180,800
(d) Regulatory activities.....	1,632,221	1,808,100	2,190,100
(e) Administration and coordination of State payments.....	53,887	54,700	73,300
Total, marketing services.....	12,523,426	13,020,000	15,186,000
Total direct obligations.....	24,163,739	26,457,000	30,668,500
Reimbursable obligations:			
2. Marketing services: (b) Classing cotton and grading tobacco.....	1,668,500	2,269,000	2,118,600
Total obligations.....	25,832,239	28,726,000	32,787,100
Financing:			
Comparative transfers from (—) other accounts.....	—210,506	—237,000	—
Advanced from Commodity Credit Corporation.....	—1,768,500	—2,269,000	—2,118,600
Unobligated balance no longer available.....	491,067	—	—
Appropriation (adjusted).....	24,344,300	26,220,000	30,668,500

PROGRAM AND PERFORMANCE

The domestic agricultural marketing and distribution functions of the Department are concentrated primarily in the Agricultural Marketing Service. The marketing job has become more complex with growth and shift in population, technological developments in production and marketing, and as more and more functions have been transferred from the farm and home to various segments of the marketing system. The work under this appropriation on marketing research and service, aimed at aiding in the orderly and efficient marketing and effective distribution of agricultural products from the Nation's farms to the consumers, is organized on a functional basis.

1. *Marketing research and agricultural estimates—(a) Marketing research.*—This work is aimed at developing

practical answers to problems encountered in moving products from the farm to the consumer. In cooperation with public and private agencies and trade groups, efforts are made to expand markets, improve product quality, and reduce marketing costs through improved marketing efficiency and organization. The work includes research on as many commodities as possible at each stage of marketing, such as at assembly points, terminal or central markets, and retail markets. The increase for 1958 is to more adequately meet the need for expanded efforts to provide solution of these complex problems.

(b) *Economic and statistical analysis.*—This work involves the collection, analysis, and interpretation of data affecting agricultural prices, farm income, supply and consumption of farm products, trends in farm population, and changes in the level of living of farm people. The results of these studies are made available to farmers through research bulletins and Situation and Outlook Reports disseminated by the Extension Service and farm organizations. Farmers and others rely on these reports in planning the most profitable adjustments in their operations and marketing programs.

The increase for 1958 is for improving the coverage of outlook and situation analysis, for basic research on factors affecting prices, supplies, and utilization of farm products, and for collection of data on farm income and production expenses.

(c) *Crop and livestock estimates.*—This service provides the official estimates on agriculture, including acreage, yield, and production of crops, stocks and value of farm commodities, number and production value of livestock items, and prices paid and received by farmers. These data also are basic to computation of parity prices. Data on approximately 150 crop and livestock products are covered in more than 500 reports issued each year. The activity is conducted through 41 State and 1 Territorial offices, most of which are operated as joint State and Federal services. Cooperative arrangements permit the States to obtain a great deal of data which could not be collected or made available from Federal funds. During 1956, States expended an estimated \$1.2 million on their cooperative program activities.

The increase for 1958 is to provide weekly weather-crop reports, improving estimates of poultry laying flocks and egg production, and improving the estimates of prices.

2. *Marketing services—(a) Market news service.*—This service provides current information on supply, movement, and prices at specific markets for practically all agricultural commodities. This day-to-day market information enables American farmers to determine where and when to sell and at what price. The information is collected and disseminated at year-round and seasonal offices maintained in more than 100 cities and towns, often with financial support and cooperation of the States. Every available means of dissemination is used—mail, press, radio, television, telephone, telegraph, bulletin boards, and trade and farm publications.

The increase for 1958 would be used primarily to expand and improve the market news service on fruit and vegetable truck movements, on dairy and poultry products and tobacco; place on a permanent basis the experimental service on direct hog marketings being conducted at Muncie, Ind.; and provide more adequate technical services and overall supervision.

(b) *Inspection, grading, classing, and standardization.*—Uniform standards of quality for agricultural products are

established and applied to specific lots of produce to promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; encourage better preparation of products for market; and furnish consumers with more definite information on the quality of products they buy. The standards are applied directly by or under the supervision of Federal employees at the request of any interested party, and generally for a fee. Approximately 81 percent of the total cost of the work under the project was offset by fees and other revenue in 1956, which are shown principally under "Trust funds, Agricultural Marketing Service," in part III of the budget.

The proposed increase for 1958 is to extend grain and tobacco inspection; develop new or improved standards or procedures for dairy products, livestock, fresh and processed fruits and vegetables, and for work required under the amendment to the Grain Standards Act, Public Law 861, approved August 1, 1956.

(c) *Freight rate services.*—Assistance is provided to farmers and others in obtaining and maintaining equitable and reasonable transportation rates and services on farm products and supplies. The Department is interested in all actions which may affect the transportation charges and services on agricultural commodities and farm supplies, but primarily in those actions affecting many commodities, a large area of production, or which might set an important precedent. In 1956 it participated in 92 formal litigation actions before the Interstate Commerce Commission and other regulatory bodies and carried on 40 informal negotiations with carriers and groups of carriers.

(d) *Regulatory activities.*—These include the administration of regulatory laws, such as packers and stockyards, standard container, United States warehouse, and Federal seed, to assure fair play in the market place and protect producers and handlers of agricultural commodities from financial loss due to deceptive, careless, or fraudulent marketing practices.

The continued growth of facilities and means for storing, buying, and selling, results in more demand and need for protection and benefits of regulatory laws. The increase in 1958 would be used to strengthen administration of the import provisions of the Federal Seed Act, post additional stockyards and strengthen overall administration of the Packers and Stockyards Act, and to step up the frequency of examinations of licensed warehouses.

Packers and Stockyards Act:	1956 actual	1957 estimate	1958 estimate
Yards eligible for posting and supervision (estimated).....	640	640	640
Yards posted and supervised.....	352	452	602
Warehouse Act:			
Number of licensed warehouses.....	1,587	1,600	1,625
Capacity of licensed warehouses:			
Grain (millions—busbels).....	711	750	780
Cotton (millions—bales).....	12.6	13.3	13.5
Average number of supervisory inspections per warehouse.....	1.7	1.8	2.0

(e) *Administration and coordination of State payments.*—This covers the work of administering and coordinating the marketing service work performed by the States matched with funds provided by the appropriation "Payments to States, Territories, and possessions." In 1956, this work was carried on in 38 States and 3 Territories. The increase for 1958 would be used to meet the need and demand for additional technical assistance to States in the matched-funds projects for improving the marketing of agricultural commodities.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
AGRICULTURAL MARKETING SERVICE			
Total number of permanent positions.....	4,079	4,038	4,478
Full-time equivalent of all other positions.....	284	445	425
Average number of all employees.....	3,549	4,021	4,392
Number of employees at end of year.....	3,706	3,774	4,198
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,294	\$5,373	\$5,373
Average grade.....	GS-7.2	GS-7.3	GS-7.5
Ungraded positions: Average salary.....	\$3,836	\$3,703	\$3,703
Personal service obligations:			
Permanent positions.....	\$17,770,164	\$19,435,900	\$21,323,645
Positions other than permanent.....	901,331	1,559,300	1,471,105
Regular pay above 52-week base.....	65,432	78,580	78,580
Payment above basic rates.....	111,676	84,000	82,100
Other payments for personal services.....		6,700	6,700
Total personal service obligations.....	18,848,603	21,085,900	22,962,400
Direct obligations:			
01 Personal services.....	17,605,903	19,351,100	21,373,500
02 Travel.....	1,394,631	1,513,800	1,719,600
03 Transportation of things.....	255,362	232,500	253,200
04 Communication services.....	1,558,312	1,648,300	1,722,900
05 Rents and utility services.....	211,843	225,700	126,900
06 Printing and reproduction.....	473,674	569,600	590,800
07 Other contractual services.....	1,237,347	1,398,200	1,464,700
Services performed by other agencies.....	150,687	624,400	879,300
08 Supplies and materials.....	465,300	479,100	669,500
09 Equipment.....	332,570	370,100	468,900
10 Land and structures.....	6,489		70,000
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			1,281,300
13 Refunds, awards, and indemnities.....	15,617	13,000	13,000
15 Taxes and assessments.....	36,232	31,200	34,900
Total direct obligations.....	23,744,057	26,457,000	30,668,500
Reimbursable obligations:			
01 Personal services.....	1,242,700	1,734,800	1,588,900
02 Travel.....	137,000	199,100	184,300
03 Transportation of things.....	76,300	93,200	81,300
04 Communication services.....	63,600	77,800	68,800
05 Rents and utility services.....	34,700	58,900	51,800
06 Printing and reproduction.....	16,600	22,600	20,100
07 Other contractual services.....	26,400	29,400	26,200
08 Supplies and materials.....	43,600	30,000	26,900
09 Equipment.....	20,200	12,900	11,500
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			49,600
13 Refunds, awards, and indemnities.....	700	600	600
15 Taxes and assessments.....	6,700	9,700	8,600
Total reimbursable obligations.....	1,668,500	2,269,000	2,118,600
Total, Agricultural Marketing Service.....	25,412,557	28,726,000	32,787,100
ALLOCATION TO AGRICULTURAL RESEARCH SERVICE			
Total number of permanent positions.....	10		
Full-time equivalent of all other positions.....	2		
Average number of all employees.....	11		
Number of employees at end of year.....	10		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209		
Average grade.....	GS-7.0		
Ungraded positions: Average salary.....	\$3,829		
01 Personal services:			
Permanent positions.....	\$52,609		
Positions other than permanent.....	4,666		
Regular pay above 52-week base.....	203		
Total personal services.....	57,478		
02 Travel.....	2,834		
03 Transportation of things.....	4		
04 Communication services.....	20		
06 Printing and reproduction.....	74		
07 Other contractual services.....	3,043		
Services performed by other agencies.....	11,564		
08 Supplies and materials.....	7,952		
09 Equipment.....	172		
15 Taxes and assessments.....	135		
Subtotal.....	83,276		
Deduct charges for quarters and subsistence.....	711		
Total, Agricultural Research Service.....	82,565		

CURRENT AUTHORIZATIONS—Continued

AGRICULTURAL MARKETING SERVICE—Continued

MARKETING RESEARCH AND SERVICE—continued

Marketing Research and Service, Agricultural Marketing Service—Continued

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
ALLOCATION TO FARMER COOPERATIVE SERVICE			
Total number of permanent positions.....	53		
Average number of all employees.....	45		
Number of employees at end of year.....	48		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,568		
Average grade.....	GS-7.6		
01 Personal services:			
Permanent positions.....	\$260,519		
Regular pay above 52-week base.....	1,008		
Payment above basic rates.....	350		
Other payments for personal services.....	158		
Total personal services.....	262,035		
02 Travel.....	19,731		
03 Transportation of things.....	817		
04 Communication services.....	5,972		
06 Printing and reproduction.....	12,237		
07 Other contractual services.....	33,112		
08 Supplies and materials.....	1,840		
09 Equipment.....	1,166		
13 Refunds, awards, and indemnities.....	25		
15 Taxes and assessments.....	182		
Total, Farmer Cooperative Service.....	337,117		
Total obligations.....	25,832,239	\$28,726,000	\$32,787,100

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$23,381,000	\$26,220,000	\$30,668,500
Transferred from—			
“Removal of surplus agricultural commodities” (5 U. S. C. 572).....	38,300		
“Cooperative extension work, payments and expenses, Extension Service” (70 Stat. 161).....	925,000		
Adjusted appropriation.....	24,344,300	26,220,000	30,668,500
Obligated balance brought forward.....	2,936,179	2,765,843	3,406,853
Increase in prior year obligations.....	17,375	100,000	
Restored from certified claims account.....		9,310	
Total budget authorizations available.....	27,297,854	29,095,153	34,075,353
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	21,320,140	23,018,000	26,525,400
Out of prior authorizations.....	2,720,804	2,670,300	3,154,000
Total expenditures.....	24,040,944	25,688,300	29,679,400
Unobligated balance no longer available (expiring for obligation).....	491,067		
Obligated balance carried forward.....	2,765,843	3,406,853	4,395,953
Total expenditures and balances.....	27,297,854	29,095,153	34,075,353

PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

Payments to States, Territories, and Possessions, Agricultural Marketing Service

For payments to departments of agriculture, bureaus and departments of markets and similar agencies for marketing activities under section 204 (b) of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623 (b)), **\$1,160,000** \$1,260,000. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.*)

Appropriated 1957, **\$1,160,000** Estimate 1958, **\$1,260,000**

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Payments for marketing service work (sec. 204 (b) of the Agricultural Marketing Act of 1946) (total obligations).....	\$1,000,000	\$1,160,000	\$1,260,000
Financing:			
Appropriation.....	1,000,000	1,160,000	1,260,000

PROGRAM AND PERFORMANCE

Payments are made on a matched-fund basis to State and Territorial marketing agencies for programs designed to get into practical use in the marketing of farm products, improved methods and practices developed in the expanding marketing research program.

This program covers projects such as methods of maintaining and improving the quality of products; ways of reducing marketing costs; and use of special local market information to move abundant supplies to the most profitable market. Through this cooperative approach, the Federal Government's leadership and funds are coupled with State resources and experience to aid in the solution of the most urgent local and area marketing problems, such as alleviating the current problems of surpluses and lowered farm income.

States generally have been expanding their agricultural marketing programs. In 1957, 41 States and Territories are conducting about 120 projects under this program, compared with 34 States and 78 projects in 1954.

The increase for 1958 is to provide additional matching funds for a further expansion of this work expected to be proposed by the States.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
11 Grants, subsidies, and contributions.....	\$1,000,000	\$1,160,000	\$1,260,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$1,000,000	\$1,160,000	\$1,260,000
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....	1,000,000	1,160,000	1,260,000

SCHOOL LUNCH PROGRAM

School Lunch Program, Agricultural Marketing Service

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U. S. C. 1751-1760), \$100,000,000: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.*)

Appropriated 1957, **\$100,000,000** Estimate 1958, **\$100,000,000**

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Food assistance:			
(a) Cash payments to States.....	\$66,871,676	\$83,600,000	\$83,600,000
(b) Commodity procurement (sec. 6).....	14,825,739	15,000,000	14,962,600
2. Operating expenses.....	1,089,022	1,400,000	1,437,400
Total obligations.....	82,786,437	100,000,000	100,000,000

PROGRAM AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Financing:			
Comparative transfers to other accounts.....	\$925	-----	-----
Unobligated balance no longer available.....	448, 835	-----	-----
Appropriation.....	83, 236, 197	\$100, 000, 000	\$100, 000, 000

PROGRAM AND PERFORMANCE

Assistance, in the form of both funds and food, is provided to States and Territories for serving lunches to schoolchildren. Each State's portion of the funds available is determined by a statutory formula which takes into account the number of school-age children in the State and the relationship between the per capita income of the State and the average United States per capita income.

The program is operated under an agreement entered into by the State educational agency (which administers the program within the State) and the Department of Agriculture. Schools make application to the State agency and, if accepted, are reimbursed for a part of the food cost of each meal served.

In 1956 the States contributed to this program \$519 million, most of which came from payments by children. This was far in excess of the \$167 million necessary to meet the statutory matching requirement of \$3 for each Federal dollar of cash payment.

In addition to the cash assistance, this appropriation is also used to purchase food for distribution to the schools. This program also provides one of the major outlets for surplus commodities purchased under section 32 of the Agricultural Adjustment Act of 1935, as amended. Commodities acquired under the price support program are also available to the school lunch program. The volume of surplus commodities distributed to schools, however, is dependent upon market conditions and the need for the Federal Government to remove surpluses.

The program in 1956 during the peak month provided lunches to nearly one-third of the approximately 35 million schoolchildren in the country. Participation in the type A meals, the complete lunch that provides one-third to one-half of the daily nutritional needs, increased approximately 10 percent over 1955. While an overall decrease occurred in participation in this program because of a decrease in type C meals (milk only) this was more than offset by increased participation in the special milk program.

During 1956 about \$488.7 million worth of agricultural commodities were used in the program. Over 20 percent of this amount represented contributions from Federal surplus removal-price support programs.

Participation and financing of the program in the last 3 years were as follows:

	1954	1955	1956
Participation:			
Average number of schools.....	51, 731	53, 557	51, 369
Average number of schoolchildren (millions).....	8. 985	9. 769	9. 337
Number of meals served (billions).....	1. 661	1. 807	1. 725
Financing:		(Millions)	
State and local contributions (total, including payments by children).....	\$418. 0	\$459. 3	¹ \$519. 0
Federal appropriation (food assistance).....	82. 1	82. 0	81. 9
Surplus commodity distribution.....	94. 2	70. 3	99. 9
Special milk program.....	-----	17. 2	46. 3
Federal contributions (total).....	176. 3	169. 5	228. 1
Total, all contributions.....	594. 3	628. 8	747. 1

¹ Preliminary.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
AGRICULTURAL MARKETING SERVICE			
Total number of permanent positions.....	170	171	169
Average number of all employees.....	133	163	161
Number of employees at end of year.....	106	169	167
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5, 294	\$5, 373	\$5, 373
Average grade.....	GS-7.2	GS-7.3	GS-7.5
Ungraded positions: Average salary.....	\$3, 836	\$3, 703	\$3, 703
01 Personal services:			
Permanent positions.....	\$779, 248	\$941, 000	\$929, 000
Positions other than permanent.....	1, 538	-----	-----
Regular pay above 52-week base.....	2, 250	-----	3, 000
Payment above basic rates.....	6, 168	9, 000	8, 000
Total personal services.....	789, 204	950, 000	940, 000
02 Travel.....	103, 885	128, 000	125, 000
03 Transportation of things.....	3, 210	6, 000	5, 000
04 Communication services.....	20, 464	38, 000	37, 000
05 Rents and utility services.....	12, 777	18, 000	17, 000
06 Printing and reproduction.....	14, 904	23, 000	22, 000
07 Other contractual services.....	12, 860	22, 800	21, 700
Services performed by other agencies.....	1, 079	62, 200	64, 200
08 Supplies and materials.....	9, 698	18, 000	16, 500
09 Equipment.....	8, 843	15, 000	13, 000
11 Grants, subsidies, and contributions:			
Cash payments.....	66, 871, 676	83, 600, 000	83, 600, 000
Contribution to retirement fund.....	-----	-----	57, 200
13 Refunds, awards, and indemnities.....	1, 430	2, 000	2, 000
15 Taxes and assessments.....	394	1, 000	1, 000
Total, Agricultural Marketing Service.....	67, 850, 424	84, 884, 000	84, 921, 600
ALLOCATION TO COMMODITY STABILIZATION SERVICE			
Total number of permanent positions.....	18	26	24
Average number of all employees.....	15	23	22
Number of employees at end of year.....	9	13	12
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 524	\$4, 578	\$4, 602
Average grade.....	GS-5.4	GS-5.4	GS-5.5
01 Personal services:			
Permanent positions.....	\$66, 237	\$101, 045	\$96, 000
Regular pay above 52-week base.....	208	-----	400
Payment above basic rates.....	547	1, 500	-----
Total personal services.....	66, 992	102, 545	96, 400
02 Travel.....	954	2, 000	2, 000
03 Transportation of things.....	233	500	500
04 Communication services.....	2, 319	2, 300	2, 300
05 Rents and utility services.....	4, 354	4, 500	4, 500
06 Printing and reproduction.....	998	1, 000	1, 000
07 Other contractual services.....	753	900	900
Services performed by other agencies.....	18	125	125
08 Supplies and materials.....	786	800	800
09 Equipment.....	550	1, 100	945
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	-----	-----	6, 100
13 Refunds, awards, and indemnities.....	48	80	80
15 Taxes and assessments.....	92	150	150
Total, Commodity Stabilization Service.....	14, 903, 836	15, 116, 000	15, 078, 400
ALLOCATION TO AGRICULTURAL RESEARCH SERVICE			
Total number of permanent positions.....	9	-----	-----
Full-time equivalent of all other positions.....	1	-----	-----
Average number of all employees.....	7	-----	-----
Number of employees at end of year.....	5	-----	-----
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5, 209	-----	-----
Average grade.....	GS-7.0	-----	-----
Ungraded positions: Average salary.....	\$3, 829	-----	-----
01 Personal services:			
Permanent positions.....	\$27, 479	-----	-----
Positions other than permanent.....	2, 816	-----	-----
Regular pay above 52-week base.....	113	-----	-----
Total personal services.....	30, 408	-----	-----
07 Other contractual services.....	93	-----	-----
Services performed by other agencies.....	1, 676	-----	-----
Total, Agricultural Research Service.....	32, 177	-----	-----
Total obligations.....	82, 786, 437	100, 000, 000	100, 000, 000

CURRENT AUTHORIZATIONS—Continued

AGRICULTURAL MARKETING SERVICE—Continued

SCHOOL LUNCH PROGRAM—continued

School Lunch Program, Agricultural Marketing Service—Con.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$83,236,197	\$100,000,000	\$100,000,000
Obligated balance brought forward.....	480,470	366,804	550,802
Restored from certified claims account.....		798	
Total budget authorizations available.....	83,716,667	100,367,602	100,550,802
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	82,420,897	99,500,000	99,500,000
Out of prior authorizations.....	271,501	316,800	500,000
Total expenditures.....	82,692,398	99,816,800	100,000,000
Balance no longer available:			
Unobligated (expiring for obligation).....	448,835		
Other.....	208,630		
Obligated balance carried forward.....	366,804	550,802	550,802
Total expenditures and balances.....	83,716,667	100,367,602	100,550,802

REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR ADVANCES FOR GRADING AND CLASSING ACTIVITIES

Reimbursement to Commodity Credit Corporation for Advances for Grading and Classing Activities, Agricultural Marketing Service

For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Marketing research and service" [fiscal year 1955] through June 30, 1956 (including interest thereon through June 30, [1956] 1957), pursuant to the Act of August 31, 1951 (7 U. S. C. 414a), for grading tobacco and classing cotton without charge to producers, as authorized by law (7 U. S. C. 473a, 511d), [\$367,740] \$80,449. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.*)

Appropriated 1957, \$367,740

Estimate 1958, \$80,449

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Repayment of advances from Commodity Credit Corporation for classing cotton and grading tobacco (total obligations).....		\$367,740	\$80,449
Financing:			
Appropriation.....		367,740	80,449

PROGRAM AND PERFORMANCE

The Commodity Credit Corporation makes advances to the Agricultural Marketing Service for the classing and grading of agricultural commodities without charge to producers. Such advances must be repaid from subsequent appropriations. This appropriation request is for repaying advances received in 1956 for classing cotton and grading tobacco not placed under commodity loan.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
14 Interest.....		\$8,215	\$3,448
Undistributed: Repayment of advances from Commodity Credit Corporation.....		359,525	77,001
Total obligations.....		367,740	80,449

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$367,740	\$80,449
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....		367,740	80,449

Miscellaneous

Miscellaneous Accounts, Agricultural Marketing Service

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Balances brought forward:			
Unobligated.....	\$133		
Obligated.....	276,687	\$83,379	\$30,779
Increase in prior year obligations.....	12,856		
Total budget authorizations available.....	289,676	83,379	30,779
EXPENDITURES AND BALANCES			
Expenditures (out of prior authorizations):			
"Agricultural Marketing Act, Agriculture".....	165,644	52,600	23,500
"Exportation and domestic consumption of agricultural commodities, Department of Agriculture" (cotton price adjustment).....	—122		
"Salaries and expenses, Bureau of Agricultural Economics".....	2,168		
"Salaries and expenses, marketing services, Production and Marketing Administration".....	12,371		
Total expenditures.....	180,061	52,600	23,500
Balance no longer available:			
Unobligated (expiring for obligation).....	255		
Other.....	25,981		
Obligated balance carried forward.....	83,379	30,779	7,279
Total expenditures and balances.....	289,676	83,379	30,779

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

- "Administrative expenses, Commodity Credit Corporation (limitation)."
- "Commodity Credit Corporation fund."
- "Operating and administrative expenses, Federal Crop Insurance Corporation."
- "Mutual security, funds appropriated to the President."
- "Maintenance and operations, Army."
- "Research and development, Army."
- "Salaries and expenses, civil defense functions of Federal agencies, Federal Civil Defense Administration."

FOREIGN AGRICULTURAL SERVICE

Salaries and Expenses, Foreign Agricultural Service

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (68 Stat. 908), and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed [\$20,000] \$30,000 for representation allowances [\$3,750,000] and for expenses pursuant to section 8 of the Act approved August 3, 1956 (70 Stat. 1034), \$4,383,500: *Provided*, That not less than \$400,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That provisions of the Act of August 1, 1956 (70 Stat. 890–892), and provisions of a similar nature in appropriation acts of the Department of State for the current

and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service. (5 U. S. C. 511-512; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$3,750,000

Estimate 1958, \$4,383,500

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Analysis of foreign agriculture and trade.....	\$922,437	\$1,100,000	\$1,153,900
2. Agricultural attachés.....	2,473,976	2,650,000	3,229,600
Total obligations.....	3,396,413	3,750,000	4,383,500
Financing:			
Comparative transfers to other accounts.....	1,937		
Unobligated balance no longer available.....	46,650		
Appropriation.....	3,445,000	3,750,000	4,383,500

PROGRAM AND PERFORMANCE

The Foreign Agricultural Service administers programs and policies relating to foreign agriculture. It provides information and assistance as guides in the planning of production and marketing of United States agricultural commodities and helps smooth the channels through which exports move.

An increase is proposed to expand the Agricultural Attaché Service in foreign countries by adding 5 new posts and expanding the staffs in 9 posts already established.

1. *Analysis of foreign agriculture and trade.*—Analyses and interpretations are made of world trends in foreign agricultural production, trade, price, finance, marketing, consumption, competition, commercial and trade policies, and economic policies of foreign governments, as such trends affect United States foreign agricultural trade and the domestic economy. The Service directs and coordinates Department participation in the formulation and development of trade programs and agreements to stabilize and expand world trade in American agricultural products, and to reduce restrictive tariff and trade practices against import of American agricultural commodities. Recommendations for the departmental positions on bilateral and multilateral trade agreements and international commodity agreements are formulated. Continuous review is made of the trade regulations and financial conditions of signatories to the General Agreement on Tariffs and Trade in American farm products. Policies, programs, positions, and standards of participation in public and private international organizations are developed.

2. *Agricultural attachés.*—A worldwide agricultural attaché program is conducted by the Department. Assistance is provided in development of markets abroad for United States agricultural commodities. A comprehensive schedule of foreign agricultural market and trade reporting to meet the needs of the American agricultural industry is maintained.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	391	465	491
Full-time equivalent of all other positions.....	7	4	4
Average number of all employees.....	320	432	455
Number of employees at end of year.....	382	454	479
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,947	\$6,871	\$6,898
Average grade.....	GS-9.3	GS-9.3	GS-9.4
Ungraded positions: Average salary.....	\$2,039	\$2,217	\$2,202

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
01 Personal services:			
Permanent positions.....	\$1,879,666	\$2,421,000	\$2,517,800
Positions other than permanent.....	22,315	17,000	17,000
Regular pay above 52-week base.....	4,374		6,700
Payment above basic rates.....	187,905	257,000	291,000
Other payments for personal services.....	6,208		
Total personal services.....	2,100,468	2,695,000	2,832,500
02 Travel.....	310,530	240,000	474,100
03 Transportation of things.....	193,566	70,000	114,950
04 Communication services.....	24,172	26,000	26,000
05 Rents and utility services.....	22,996	39,000	52,000
06 Printing and reproduction.....	84,458	81,000	81,000
07 Other contractual services.....	36,554	41,000	51,300
Services performed by other agencies.....	532,547	496,000	535,000
08 Supplies and materials.....	21,076	26,000	26,600
09 Equipment.....	69,235	35,000	40,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			148,350
13 Refunds, awards, and indemnities.....	35		
15 Taxes and assessments.....	776	1,000	1,100
Total obligations.....	3,396,413	3,750,000	4,383,500

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$3,445,000	\$3,750,000	\$4,383,500
Obligated balance brought forward.....	765,865	566,398	581,889
Restored from certified claims account.....		291	
Total budget authorizations available.....	4,210,865	4,316,689	4,965,389
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	2,833,047	3,212,100	3,752,000
Out of prior authorizations.....	723,616	522,700	547,000
Total expenditures.....	3,556,663	3,734,800	4,299,000
Balance no longer available:			
Unobligated (expiring for obligation).....	46,650		
Other.....	41,154		
Obligated balance carried forward.....	566,398	581,889	666,389
Total expenditures and balances.....	4,210,865	4,316,689	4,965,389

Information schedules relating to foreign currency, Agricultural Trade Development and Assistance Act of 1954, Agriculture, Foreign Agricultural Service

[All amounts stated in United States dollar equivalent]

Program and Financing

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Market development projects (total obligations).....	\$1,425,896	\$14,514,600	\$11,352,865
Financing:			
Unobligated balance brought forward.....		—9,906,421	—1,100,196
Adjustment due to changes in exchange rates to permit conversion to dollar equivalent.....	56,639		
Unobligated balance carried forward.....	9,906,421	1,100,196	
Authorization to expend foreign currency receipts pursuant to 7 U. S. C. 1704.....	11,388,956	5,708,375	10,252,669

Program and Performance

Foreign currencies, generated by the sale of surplus agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954, are allocated to the Department to develop new foreign markets and expand existing markets for United States agricultural commodities, including cotton, dairy products, fats and oils, grain, feed, livestock and meat, poultry, fruits and vegetables, and tobacco. The types of market development projects being carried out by the Department include sales promotion campaigns, trade fairs and exhibits, nutrition demonstrations, and market analyses. A total of \$27.35 million is estimated as the amount available under

CURRENT AUTHORIZATIONS—Continued

FOREIGN AGRICULTURAL SERVICE—Continued

Information schedules relating to foreign currency, Agricultural Trade Development and Assistance Act of 1954, Agriculture, Foreign Agricultural Service—Continued

sales agreements as of October 31, 1956, with 29 countries for projects of this kind.

Obligations by Objects

	1956 actual	1957 estimate	1958 estimate
Average number of all employees.....	1	18	25
Number of employees at end of year.....	3	26	26
01 Personal services: Positions other than permanent.....	\$1,987	\$40,000	\$55,000
02 Travel.....	39,683	190,000	150,000
03 Transportation of things.....	21,016	50,000	40,000
04 Communication services.....	1,209	6,000	5,000
05 Rents and utility services.....	54,502	95,000	75,000
06 Printing and reproduction.....	2,050	7,000	6,000
07 Other contractual services.....	1,271,417	14,051,600	10,966,865
08 Supplies and materials.....	34,032	75,000	55,000
Total obligations.....	1,425,896	14,514,600	11,352,865

Budget Authorizations, Expenditures and Balances

Budget Authorizations Available			
Authorization to expend foreign currency receipts (7 U. S. C. 1704).....	\$11,388,956	\$5,708,375	\$10,252,669
Adjustment due to changes in exchange rates to permit conversion to dollar equivalent.....	-56,639		
Balance brought forward:			
Unobligated.....		9,906,421	1,100,196
Obligated.....		874,855	4,770,455
Total budget authorizations available.....	11,332,317	16,489,651	16,123,320
Expenditures and Balances			
Total expenditures (payable directly from foreign currency funds).....	551,041	10,619,000	11,125,000
Balance carried forward:			
Unobligated.....	9,906,421	1,100,196	
Obligated.....	874,855	4,770,455	4,998,320
Total expenditures and balances.....	11,332,317	16,489,651	16,123,320

Miscellaneous

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

- “Removal of surplus agricultural commodities.”
- “Mutual security, funds appropriated to the President.”
- “Administration, Ryukyu Islands, Army.”

COMMODITY EXCHANGE AUTHORITY

Salaries and Expenses, Commodity Exchange Authority

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U. S. C. 1-17a), **[\$787,400] \$832,000.** (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.*)

Appropriated 1957, **\$787,400**

Estimate 1958, **\$832,000**

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Licensing.....	\$51,567	\$49,500	\$52,300
2. Supervision of futures trading.....	441,434	424,500	448,100
3. Audits.....	163,256	169,400	179,300
4. Investigations.....	117,730	144,000	152,300
Total obligations.....	773,987	787,400	832,000
Financing:			
Unobligated balance no longer available.....	1,013		
Appropriation.....	775,000	787,400	832,000

PROGRAM AND PERFORMANCE

Enforcement of the Commodity Exchange Act requires supervision over futures trading in 23 commodities on 17 exchanges to prevent price manipulation and corners, and insure honesty and fair dealing. Transactions on contract markets were estimated at 9,130,000 in 1956, and the value of trading over \$40 billion.

1. *Licensing.*—Commission merchants and floor brokers are registered annually. In 1956 there were 595 commission merchants and 889 floor brokers so registered. The estimates for 1958 are 610 and 910, respectively. Exchange rules and regulations are reviewed to insure that legal requirements are met.

2. *Supervision of futures trading.*—This embraces (a) examination and analysis of reports and other market data, the making of market position surveys, and publication of summary data; (b) establishment, review and enforcement of speculative limits; and (c) cooperative activities with control committees of contract markets. In 1956, position surveys covered 2,271 traders.

REPORTS TABULATED AND ANALYZED

	1956 actual	1957 estimate	1958 estimate
Daily trading volume and open contracts....	272,234	275,000	275,000
Daily and weekly reports on large traders....	316,611	320,000	320,000
Delivery notices.....	34,358	30,000	30,000

3. *Audits.*—Misuse of customers' funds is prevented by (a) audit and examination of books of futures commission merchants; and (b) analysis of brokers' and traders' books and financial statements.

AUDITS

	1956 actual	1957 estimate	1958 estimate
Audits of customers' segregated funds.....	635	700	700
Accounts examined.....	27,889	34,000	34,000
Financial statements examined.....	596	610	610

4. *Investigations.*—Apparent or alleged violations of the law and regulations are investigated, and trade practice surveys are made to discover violations and compile legal evidence. The authority also prepares and presents evidence of violations in administrative hearings and judicial proceedings. In 1956 there were 44 compliance investigations completed and 62,602 transactions examined.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	139	140	140
Average number of all employees.....	125	129	129
Number of employees at end of year.....	126	128	128
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,348	\$5,362	\$5,378
Average grade.....	GS-6.8	GS-6.9	GS-6.9
01 Personal services:			
Permanent positions.....	\$684,754	\$709,700	\$706,900
Regular pay above 52-week base.....	2,492		2,800
Payment above basic rates.....	611	500	500
Total personal services.....	687,857	710,200	710,200
02 Travel.....	16,508	12,200	12,200
03 Transportation of things.....	386	1,000	1,000
04 Communication services.....	18,284	19,600	19,600
05 Rents and utility services.....	15,285	15,400	15,400
06 Printing and reproduction.....	17,103	13,700	13,700
07 Other contractual services.....	6,162	6,200	6,200
Services performed by other agencies.....	1,615	950	950
08 Supplies and materials.....	5,280	5,350	5,350
09 Equipment.....	4,458	2,150	2,150
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			44,600
13 Refunds, awards, and indemnities.....	720	550	550
15 Taxes and assessments.....	329	100	100
Total obligations.....	773,987	787,400	832,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$775,000	\$787,400	\$832,000
Obligated balance brought forward.....	49,415	37,969	38,369
Total budget authorizations available.....	824,415	825,369	870,369
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	736,018	750,000	793,000
Out of prior authorizations.....	49,286	37,000	37,000
Total expenditures.....	785,304	787,000	830,000
Balance no longer available:			
Unobligated (expiring for obligation).....	1,013		
Other.....	129		
Obligated balance carried forward.....	37,969	38,369	40,369
Total expenditures and balances.....	824,415	825,369	870,369

SOIL BANK PROGRAM**Soil Bank Program, Agriculture**

For necessary expenses to carry out a soil bank program in accordance with the provisions of title I of the Act approved May 28, 1956 (70 Stat. 188-198), \$1,254,000,000.

Appropriated 1957, \$0 Estimate 1958, \$1,254,000,000
Appropriated (adjusted) 1957, \$1,228,952,947

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Acreage reserve program.....	\$3,602,197	\$728,603,167	\$759,787,936
2. Conservation reserve program.....	156,336	500,349,780	494,212,064
Total obligations.....	3,758,533	1,228,952,947	1,254,000,000
Financing:			
Appropriation (adjusted).....	3,758,533	1,228,952,947	1,254,000,000

PROGRAM AND PERFORMANCE

The Soil Bank Act (title I of the Agricultural Act of 1956, Public Law 540, approved May 28, 1956) authorized programs to assist farmers to divert cropland from production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest and wildlife conservation. The activities are supplementary to the acreage allotments and marketing quota programs authorized and appropriated for under the Agricultural Adjustment Act of 1938, as amended, and together with such programs, constitute an overall program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

In 1957 the program is being financed from funds of the Commodity Credit Corporation pursuant to section 120 of the Soil Bank Act, which authorizes the Secretary to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in carrying out the act from its enactment, through June 30, 1957. Appropriations to reimburse the Corporation for funds utilized to carry on this program through June 30, 1957, including accumulated interest thereon, will probably be requested in 1959.

1. *Acreage reserve.*—This program is effective for 4 crop years from 1956 through 1959. Producers are compensated for reducing their acreages for commodities below farm acreage allotments or base acreages, whichever is applicable. Commodities affected are wheat, corn, cotton, rice, most types of tobacco, and peanuts. The compensation paid producers with respect to any year's crops may not exceed \$750 million.

Accomplishments under the 1956 acreage reserve pro-

gram are summarized below (total number of farms, 537,172):

Commodity	Number of agreements	Number of acres	Maximum possible payments
Tobacco.....	19,994	31,671	\$6,618,699
Peanuts.....	5,303	43,645	\$6,591,437
Wheat.....	110,515	5,654,507	44,490,882
Cotton.....	95,954	1,113,789	27,281,778
Corn.....	320,450	5,450,194	180,629,284
Rice.....	1,112	28,003	1,386,667
Total.....	553,328	12,321,809	260,998,747

2. *Conservation reserve.*—This program is effective for 5 calendar years from 1956 through 1960. The objective is to encourage the shift of 20 million to 25 million acres of cropland into grass, trees, water storage, or other long-range conservation uses. Producers enter into contracts with the Secretary for periods of from 3 to 15 years. In return for removing designated cropland from production and establishing long-range conservation practices, the producer receives cost-sharing assistance for establishment of the practice, and an annual payment for the duration of the contract. The Secretary may not enter into contracts with producers which would require payments to producers in excess of \$450 million in any calendar year.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
ALLOTMENT TO COMMODITY STABILIZATION SERVICE			
Total number of permanent positions.....	4	178	189
Average number of all employees.....	4	178	189
Number of employees at end of year.....	40	178	189
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,524	\$4,578	\$4,602
Average grade.....	GS-5.4	GS-5.4	GS-5.5
01 Personal services:			
Permanent positions.....	\$25,989	\$1,134,011	\$1,205,400
Regular pay above 52-week base.....	81		4,600
Payment above basic rates.....	560	1,459	
Total personal services.....	26,630	1,135,470	1,210,000
02 Travel.....	1,213	190,787	160,000
03 Transportation of things.....	186	5,814	6,000
04 Communication services.....	936	38,064	33,000
05 Rents and utility services.....	5	1,995	2,000
06 Printing and reproduction.....	43,325	492,675	455,200
07 Other contractual services.....	5,453	11,547	15,000
Advanced to—			
“Administrative expenses, see. 392, Agricultural Adjustment Act of 1938” (7 U. S. C. 1392).....	352,992	6,874,000	7,174,000
“Local administration, see. 388, Agricultural Adjustment Act of 1938, Agriculture” (7 U. S. C. 1388).....	3,324,316	74,255,000	71,156,800
08 Supplies and materials.....	1,412	10,588	10,000
09 Equipment.....	2,059	37,941	34,000
11 Grants, subsidies, and contributions:			
Acreage reserve payments.....		674,086,747	709,426,000
Conservation reserve payments.....		457,521,000	450,000,000
Contribution to retirement fund.....			71,600
13 Refunds, awards, and indemnities.....		125	
15 Taxes and assessments.....	6	994	800
Total, Commodity Stabilization Service.....	3,758,533	1,214,662,747	1,239,754,400
ALLOTMENT TO AGRICULTURAL CONSERVATION PROGRAM SERVICE			
Number of permanent positions.....		5	5
Average number of all employees.....		5	5
Number of employees at end of year.....		5	5
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$6,375	\$6,497
Average grade.....		GS-8.0	GS-8.2
01 Personal services:			
Permanent positions.....		\$30,675	\$33,272
Regular pay above 52-week base.....			128
Total personal services.....		30,675	33,400
02 Travel.....		11,000	11,000
03 Transportation of things.....		2,000	200
04 Communication services.....		1,500	1,500
06 Printing and reproduction.....		200	300
07 Other contractual services.....		200	300
08 Supplies and materials.....		325	300
09 Equipment.....		1,100	
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			2,200
Total, Agricultural Conservation Program Service.....		47,000	49,200

CURRENT AUTHORIZATIONS—Continued

SOIL BANK PROGRAM—Continued

Soil Bank Program, Agriculture—Continued

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
ALLOTMENT TO FOREST SERVICE			
Total number of permanent positions.....		38	38
Full-time equivalent of all other positions.....		28	16
Average number of all employees.....		59	52
Number of employees at end of year.....		45	40
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$5,021	\$5,074
Average grade.....		GS-6.6	GS-6.7
01 Personal services:			
Permanent positions.....		\$180,910	\$220,770
Positions other than permanent.....		87,500	50,000
Regular pay above 52-week base.....			\$13
Total personal services.....		268,410	271,583
02 Travel.....		36,000	43,000
03 Transportation of things.....		6,000	2,000
04 Communication services.....		3,200	3,500
05 Rents and utility services.....		3,400	3,700
06 Printing and reproduction.....		40,000	6,000
07 Other contractual services.....		131,900	109,270
Services performed by other agencies.....		5,500	5,000
08 Supplies and materials.....		66,090	62,947
09 Equipment.....		48,000	12,400
11 Grants, subsidies, and contributions:		9,440,000	5,966,000
Contribution to retirement fund.....			13,600
15 Taxes and assessments.....		1,500	1,000
Total, Forest Service.....		10,050,000	6,500,000
ALLOTMENT TO SOIL CONSERVATION SERVICE			
Total number of permanent positions.....		59	115
Full-time equivalent of all other positions.....		164	302
Average number of all employees.....		895	1,573
Number of employees at end of year.....		309	565
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$4,739	\$4,708
Average grade.....		GS-6.2	GS-6.2
01 Personal services:			
Permanent positions.....		\$2,827,700	\$4,977,385
Positions other than permanent.....		586,000	1,079,600
Regular pay above 52-week base.....			19,150
Total personal services.....		3,413,700	6,076,135
02 Travel.....		129,700	243,200
03 Transportation of things.....		700	1,300
04 Communication services.....		9,800	18,400
05 Rents and utility services.....		900	1,500
06 Printing and reproduction.....		5,400	10,100
07 Other contractual services.....		268,090	503,965
08 Supplies and materials.....		150,800	295,200
09 Equipment.....		10,300	19,300
11 Grants, subsidies, and contributions:			310,900
Contribution to retirement fund.....			20,000
15 Taxes and assessments.....		10,700	20,000
Total, Soil Conservation Service.....		4,000,000	7,500,000
ALLOTMENT TO OFFICE OF THE GENERAL COUNSEL			
Total number of permanent positions.....		26	26
Average number of all employees.....		24	26
Number of employees at end of year.....		26	26
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$5,814	\$5,860
Average grade.....		GS-8.3	GS-8.3
01 Personal services:			
Permanent positions.....		\$135,000	\$152,360
Regular pay above 52-week base.....			590
Total personal services.....		135,000	152,950
02 Travel.....		21,750	9,910
03 Transportation of things.....		1,750	200
04 Communications.....		3,000	1,000
06 Printing and reproduction.....		2,000	750
07 Other contractual services.....		2,000	500
08 Supplies and materials.....		3,500	750
09 Equipment.....		6,000	
11 Grants, subsidies, and contributions:			8,940
Contribution to retirement fund.....			
Total, Office of the General Counsel.....		175,000	175,000

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
ALLOTMENT TO OFFICE OF INFORMATION			
Total number of permanent positions.....		2	2
Average number of all employees.....		2	2
Number of employees at end of year.....		2	2
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$6,203	\$6,203
Average grade.....		GS-8.5	GS-8.5
01 Personal services:			
Permanent positions.....		\$10,000	\$12,357
Regular pay above 52-week base.....			48
Total personal services.....		10,000	12,405
02 Travel.....		1,000	1,000
04 Communication services.....		500	495
06 Printing and reproduction.....		3,000	3,000
07 Other contractual services: Services performed by other agencies.....		3,500	3,500
08 Supplies and materials.....		200	200
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			800
Total, Office of Information.....		18,200	21,400
Total obligations.....	\$3,758,533	1,228,952,947	1,254,000,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....			\$1,254,000,000
Transferred from "Commodity Credit Corporation fund" (70 Stat. 188).....	\$3,758,533	\$1,228,952,947	
Adjusted appropriation.....	3,758,533	1,228,952,947	1,254,000,000
Obligated balance brought forward.....			2,003,480
Total budget authorizations available.....	3,758,533	1,228,952,947	1,256,003,480
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	3,758,533	1,226,949,467	1,251,606,520
Out of prior authorizations.....			1,793,480
Total expenditures.....	3,758,533	1,226,949,467	1,253,400,000
Obligated balance carried forward.....		2,003,480	2,603,480
Total expenditures and balances.....	3,758,533	1,228,952,947	1,256,003,480

COMMODITY STABILIZATION SERVICE

[AGRICULTURAL ADJUSTMENT PROGRAMS] ACREAGE ALLOTMENTS AND MARKETING QUOTAS

Acreage Allotments and Marketing Quotas, Commodity Stabilization Service

For necessary expenses to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393), **\$41,200,000** ~~\$43,000,000~~, of which not more than **\$6,343,100** ~~\$6,380,100~~ shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938". (70 Stat. 50, 203, 330, 1115; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957).

Appropriated 1957, **\$41,200,000** Estimate 1958, **\$43,000,000**

* Excludes \$249,500 for activities transferred in the estimates to "Marketing research and service, Agricultural Marketing Service." The amounts obligated in 1956 and 1957 are shown in the schedule as comparative transfers.

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Acreage allotments and marketing quotas (total obligations).....	\$38,900,534	\$40,963,000	\$43,000,000
Financing:			
Comparative transfers to other accounts.....	232,294	237,000	
Unobligated balance no longer available.....	17,172		
Appropriation.....	39,150,000	41,200,000	43,000,000

PROGRAM AND PERFORMANCE

Acreage allotment and marketing quota programs are designed to keep the production and marketing of basic commodities in line with demand in order to give each farmer a fair share of the available market and the total production required. The Agricultural Act of 1956 terminated allotments on the 1956 crop of corn and provided for a referendum of farmers to determine whether they favor acreage allotments or base acreages for the duration of the acreage reserve program which is a part of the soil bank program. In the referendum held on December 11, 1956, less than two-thirds of the farmers voted in favor of base acreages. Therefore, acreage allotments will continue in effect.

Acreage allotments, when necessary, are established at National, State, and county levels (only at State level in the case of tobacco). In general, the acreage allotted to any county is apportioned by farmer-elected county committeemen. National marketing quotas must be proclaimed whenever the total supply for the basic commodities, except corn, reaches a level specified in the Agricultural Adjustment Act of 1938, as amended. However, quotas do not become effective unless approved by two-thirds of those voting in a farmer referendum.

Acreage allotment and marketing quota programs will be in effect for the 1957 crops of flue-cured tobacco, peanuts, wheat, cotton and rice and acreage allotments will be in effect on the 1957 crop of corn. Present indications are that acreage allotments and marketing quotas will be in effect on the 1957 crops of the other kinds of tobacco. Work in fiscal years 1957 and 1958 will consist primarily of the following:

	Tobacco	Peanuts	Wheat	Cotton	Corn	Rice
Collecting and compiling basic data, establishing acreage allotments, and preparing and issuing allotment notices and marketing cards, fiscal years 1957 and 1958 (estimated number of allotment farms).....	609,000	127,063	1,554,102	967,260	1,687,162	17,979
Measuring and computing acreages (percent of allotment farms):						
Fiscal year 1957:						
1956 crop.....	52.5	45.6	4.6	35.5	-----	56.7
1957 crop.....	47.5	54.4	95.4	64.5	19.0	43.3
Fiscal year 1958:						
1957 crop.....	52.5	45.6	4.6	35.5	46.0	56.7
1958 crop.....	47.5	54.4	95.4	64.5	19.0	43.3
Holding local referendums (number):						
Fiscal year 1957.....	65	497	2,510	1,096	-----	155
Fiscal year 1958.....	118	-----	2,510	1,096	-----	155

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
06 Printing and reproduction.....	\$236,793	\$325,000	\$325,000
07 Other contractual services: Advanced to—			
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938” (7 U. S. C. 1392).....	6,113,506	6,106,100	6,380,100
“Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture” (7 U. S. C. 1388).....	32,550,235	34,531,900	36,294,900
Total obligations.....	38,900,534	40,963,000	43,000,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE	1956 actual	1957 estimate	1958 estimate
Appropriation.....	\$39,150,000	\$41,200,000	\$43,000,000
Obligated balance brought forward.....	94,003	33,114	22,614
Total budget authorizations available.....	39,244,003	41,233,114	43,022,614

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	\$39,099,705	\$41,180,000	\$42,980,220
Out of prior authorizations.....	85,518	30,500	20,800
Total expenditures.....	39,185,223	41,210,500	43,001,020
Balance no longer available:			
Unobligated (expiring for obligation).....	17,172	-----	-----
Other.....	8,494	-----	-----
Obligated balance carried forward.....	33,114	22,614	21,594
Total expenditures and balances.....	39,244,003	41,233,114	43,022,614

SUGAR ACT PROGRAM

Sugar Act Program, Commodity Stabilization Service

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U. S. C. 1101–1160), **[\$67,600,000]** **\$72,200,000**, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed **[\$1,873,000]** **\$2,124,500**.

【The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1957, on the amount of expenditures (including transfers) from this appropriation for other than payments to sugar producers is increased by **\$189,000.**】 (70 Stat. 217–221; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957; Supplemental Appropriation Act, 1957.)

Appropriated 1957, **\$67,600,000**Estimate 1958, **\$72,200,000**

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Payment to sugar producers:			
(a) Continental beet area.....	\$29,143,977	\$32,665,100	\$35,145,035
(b) Continental cane area.....	7,607,200	7,018,110	8,256,600
(c) Offshore cane area.....	21,205,323	25,854,790	26,673,865
2. Operating expenses.....	1,643,500	2,062,000	2,124,500
Total obligations.....	59,600,000	67,600,000	72,200,000
Financing:			
Appropriation.....	59,600,000	67,600,000	72,200,000

PROGRAM AND PERFORMANCE

The Service establishes quotas to provide consumers with adequate supplies of sugar at reasonable prices, to maintain and protect the domestic sugar industry and to promote the export trade of the United States, for the five domestic sugar producing areas, the Philippines, Cuba, and other foreign countries. The quota for each domestic area is allotted to individual sellers when necessary to achieve orderly marketing, and restrictive farm acreage allotments are established for producers when necessary to avoid surpluses.

1. *Payments to sugar producers.*—Payments are made (a) to domestic producers of cane and beets who meet specified conditions of employment, production, and price; and (b) for abandonment of planted acreage and crop deficiencies on harvested acreages due to natural calamities.

The increase in appropriation is required primarily to meet additional payment needs resulting from increased production in 1958 which will approximate the domestic areas' share in the growth of the United States sugar market (or consumption requirements) as provided in the new Sugar Act approved May 29, 1956.

CURRENT AUTHORIZATIONS—Continued

COMMODITY STABILIZATION SERVICE—Continued

SUGAR ACT PROGRAM—continued

Sugar Act Program, Commodity Stabilization Service—Continued

Estimated production, by areas, is shown in the following table:

Area	Short tons, raw value		
	1955 crop year 1956 actual	1956 crop year 1957 estimate	1957 crop year 1958 estimate
Continental beet area.....	1,730,000	1,975,000	2,125,000
Continental cane area.....	574,000	510,000	600,000
Hawaii.....	1,141,000	1,100,000	1,150,000
Puerto Rico.....	1,152,000	1,200,000	1,250,000
Virgin Islands.....	10,000	13,000	15,000
Total.....	4,607,000	4,798,000	5,140,000

2. *Operating expenses.*—These consist of the expenses of (a) the agricultural stabilization and conservation State and county offices in establishing production controls, determining compliance, and making payments to producers; and (b) the Service's departmental work in determining sugar consumption requirements, establishing quotas and allotments, making fair wage and price determinations, establishing production controls where necessary, and formulating overall policies and procedures.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
07 Other contractual services: Advanced to—			
"Administrative expenses, see. 392, Agricultural Adjustment Act of 1938" (7 U. S. C. 1932)	\$1,155,220	\$1,320,018	\$1,382,518
"Local administration, see. 388, Agricultural Adjustment Act of 1938, Agriculture" (7 U. S. C. 1388)	488,280	741,982	741,982
11 Grants, subsidies, and contributions.....	57,956,500	65,538,000	70,075,500
Total obligations.....	59,600,000	67,600,000	72,200,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$59,600,000	\$67,600,000	\$72,200,000
Obligated balance brought forward.....	9,837,791	3,985,642	4,257,361
Restored from certified claims account.....		71,719	
Total budget authorizations available.....	69,437,791	71,657,361	76,457,361
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	65,380,430	63,513,000	69,600,000
Out of prior authorizations.....		3,887,000	4,148,000
Total expenditures.....	65,380,430	67,400,000	73,748,000
Balance no longer available (other than unobligated, expiring for obligation).....	71,719		
Obligated balance carried forward.....	3,985,642	4,257,361	2,709,361
Total expenditures and balances.....	69,437,791	71,657,361	76,457,361

SPECIAL COMMODITY DISPOSAL PROGRAMS

Special Commodity Disposal Programs, Commodity Stabilization Service

To reimburse the Commodity Credit Corporation for authorized costs (including interest through June 30, [1956] 1957), as follows: (1) [\$101,130,155] \$92,930,611 under the International Wheat Agreement Act of 1949, as amended (7 U. S. C. 1641–1642); (2) [\$88,628,927] \$94,483,518 for commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of the Act of July 10, 1954 [7 U. S. C. 1691–1694]; as amended (7 U. S. C. 1703, 1721–1724); and (3) [\$67,477,228] \$637,000,000 for the sale of surplus agricultural commodities for foreign currencies pursuant to title I of the Act of July 10, 1954, as amended (7 U. S. C. [1691–1694]); and (4) \$184,678 for the transfer of hay and pasture seeds to

Federal land-administering agencies under the Act of July 26, 1954 (68 Stat. 529) [1701–1709]. (Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$257,420,988

Estimate 1958, \$824,414,129

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. International Wheat Agreement.....	\$57,378,551	\$101,130,155	\$92,930,611
2. Emergency famine relief to friendly peoples.....	9,537,154	88,628,927	94,483,518
3. Sales of surplus agricultural commodities for foreign currencies.....		67,477,228	637,000,000
4. Transfer of hay and pasture seeds.....		183,945	
Total obligations.....	66,915,705	257,420,255	824,414,129
Financing:			
Comparative transfers from (–) other accounts.....	–66,915,705		
Unobligated balance no longer available.....		733	
Appropriation.....		257,420,988	824,414,129

PROGRAM AND PERFORMANCE

The funds and facilities of the Commodity Credit Corporation are utilized to carry out surplus-disposal programs outside of the regular functions of the Corporation. Reimbursement to the Corporation is authorized for its costs incurred in carrying out the program.

1. *International Wheat Agreement.*—This agreement, which was renewed effective August 1, 1956, operates to provide an assured market for wheat to exporting countries and assured supplies of wheat to importing countries, at stable and equitable prices.

The maximum and minimum prices in the 1956 agreement are \$2 and \$1.50, respectively, for the basic grade of wheat, No. 1 Manitoba Northern, at the same basing point as in the prior agreement, Fort William/Port Arthur, Canada. These prices represent a reduction of 5 cents, both at the maximum and at the minimum prices in the prior agreement. In addition to the 4 previous member exporting countries, 2 additional countries, Argentina and Sweden, joined in the 1956 agreement. The agreement total quantity represents about 31 percent of world trade in wheat, yet the 6 exporting member countries export inside and outside the agreement about 90 percent of all wheat moving in world trade.

Capital funds of Commodity Credit Corporation were used to pay during 1956 (a) the difference between the selling prices, prevailing under the agreement and the domestic market price of wheat, and (b) administrative and interest costs. The estimate, \$92,930,611 (including interest through June 30, 1957), provides for reimbursing the Corporation for costs incurred in 1956 when 123,350,130 bushels of wheat and wheat flour were exported under the agreement. Effective September 4, 1956, the payment of the differential between the prevailing sales price of wheat under the agreement and the market price is paid to the exporter in Commodity Credit Corporation stocks of wheat rather than in cash. A cash payment for this differential will continue to be made for flour.

It is estimated that 115 million bushels of wheat will be exported under this program during 1957 at a cost to the Corporation of \$100,230,000, and 128 million bushels at a cost of \$111,674,000 in 1958. Reimbursement for these costs will be requested in later budgets.

The following table shows, by major cost elements, Commodity Credit Corporation costs of International Wheat Agreement program operations for the years 1955,

1956, 1957, and 1958, and the composition of the appropriations to reimburse the Corporation therefor:

INTERNATIONAL WHEAT AGREEMENT

	[In millions]				
	1955 program	1956 program	1957 program	1958 program	Total
Fiscal year 1955:					
Program expense.....	\$98.7	-----	-----	-----	\$98.7
Interest expense.....	.5	-----	-----	-----	.5
Total expense, 1955.....	99.2	-----	-----	-----	99.2
Fiscal year 1956:					
Program expense.....	-----	\$89.8	-----	-----	89.8
Interest expense.....	1.8	.6	-----	-----	2.4
Total expense, 1956.....	1.8	90.4	-----	-----	92.2
Appropriation, 1957.....	-101.0	-.1	-----	-----	-101.1
Fiscal year 1957:					
Program expense.....	-----	-----	\$95.7	-----	95.7
Interest expense.....	-----	2.6	1.4	-----	4.0
Total expense, 1957.....	-----	2.6	97.1	-----	99.7
Fiscal year 1958:					
Program expense.....	-----	-----	-----	\$106.5	106.5
Interest expense.....	-----	-----	3.1	1.7	4.8
Total expense, 1958.....	-----	-----	3.1	108.2	111.3
Fiscal year 1959: Interest expense.....	-----	-----	-----	3.5	3.5
Appropriations, 1958, 1959, and 1960.....	-----	-92.9	-100.2	-111.7	-----

2. *Emergency famine relief to friendly peoples.*—The Commodity Credit Corporation, through June 30, 1957, is directed to make its stocks of agricultural commodities available for emergency assistance to friendly peoples in meeting famine or other urgent relief requirements. Through June 30, 1956, commitments undertaken under this authority totaled \$260 million. Of this amount programs authorized for shipment totaled \$218 million, of which over two-thirds or \$150 million was for grain. Other commodities include \$31 million of fats and oils; \$27 million of milk and milk products; \$7 million, cotton; and \$3 million, dry beans. Actual shipments made through June 30, 1956, were \$177,900,168 to 22 countries.

Appropriations are authorized for a maximum of \$500 million to reimburse the Corporation for its costs in carrying out the program. The estimate of \$94,483,518 makes such reimbursement for operations during 1956 (including interest to June 30, 1957).

The following table shows, by major cost elements, Commodity Credit Corporation costs of this program for the years 1955, 1956, 1957, and 1958, and the composition of the appropriations to reimburse the Corporation therefor:

EMERGENCY FAMINE RELIEF TO FRIENDLY PEOPLES

	[In millions]				
	1955 pro- gram	1956 pro- gram	1957 pro- gram	1958 pro- gram	Total
Fiscal year 1955:					
Program expense.....	\$86.6	-----	-----	-----	\$86.6
Interest expense.....	.3	-----	-----	-----	.3
Total expense.....	86.9	-----	-----	-----	86.9
Fiscal year 1956:					
Program expense.....	-----	\$91.3	-----	-----	91.3
Interest expense.....	1.6	.7	-----	-----	2.3
Total expense.....	1.6	92.0	-----	-----	93.6
Appropriation, 1957.....	-88.5	-.1	-----	-----	-88.6
Fiscal year 1957:					
Program expense.....	-----	-----	\$122.9	-----	122.9
Interest expense.....	-----	2.6	1.8	-----	4.4
Total expense.....	-----	2.6	124.7	-----	127.3
Fiscal year 1958:					
Program expense.....	-----	-----	-----	\$40.0	40.0
Interest expense.....	-----	-----	4.0	.7	4.7
Total expense.....	-----	-----	4.0	40.7	44.7
Fiscal year 1959: Interest expense.....	-----	-----	-----	1.3	1.3
Appropriations, 1958, 1959, and 1960.....	xxx	-94.5	-128.7	-42.0	xxx

It is estimated that total costs under this program, including interest, will approximate \$352.5 million by June 30, 1958, and the following table reflects the costs incurred by Commodity Credit Corporation by years in carrying out this program:

Fiscal year	Program expense	Interest	Total
1955.....	\$86,623,135	\$273,329	\$86,896,464
1956.....	91,277,033	2,307,966	93,584,999
1957 (estimate).....	122,892,500	4,474,482	127,366,982
1958 (estimate).....	40,000,000	4,644,000	44,644,000
Cumulative totals.....	340,792,668	11,699,777	352,492,445

3. *Sales of surplus agricultural commodities for foreign currencies.*—Surplus agricultural commodities are sold for foreign currencies. These currencies may then be used by departments and agencies for agricultural market development, purchase of strategic materials, military equipment facilities and services for the common defense, payment of United States obligations, military family housing, international educational exchange and loans for multilateral trade and economic development. If appropriations are available for a purpose for which foreign currencies are used, the agency must buy the currency for dollars which are used to reimburse the Commodity Credit Corporation. Through June 30, 1956, agreements had been signed with other countries for commodities representing a market value of \$954.5 million. Through that date 23 commodities with a market value of \$509 million had been shipped to 25 countries under these agreements.

The major commodities shipped were wheat, cotton and vegetable oils which together amounted to 75 percent of the total value of shipments.

The act authorizes appropriations of not to exceed \$3 billion to reimburse the Corporation for its net costs in carrying out this program. The estimate of \$637 million covers unreimbursed costs of operations through 1956 (including interest through June 30, 1957) amounting to \$695,380,805 less \$58,380,805, representing the dollar equivalent of various foreign currencies on deposit for agricultural commodities exported as of June 30, 1956, for which the Corporation may eventually be reimbursed in dollars. The total dollar equivalent of foreign currencies deposited in the Treasury through June 30, 1956, amounted to \$400,497,873.

The following table shows, by major cost elements, Commodity Credit Corporation costs of this program for 1955, 1956, 1957, and 1958 and the composition of appropriations to reimburse the Corporation therefor:

SALES OF SURPLUS AGRICULTURAL COMMODITIES FOR FOREIGN CURRENCIES

	[In millions]				
	1955 program	1956 program	1957 program	1958 program	Total
Fiscal year 1955:					
Program expense.....	\$129.2	-----	-----	-----	\$129.2
Interest expense.....	.3	-----	-----	-----	.3
Total expense.....	129.5	-----	-----	-----	129.5
Fiscal year 1956:					
Program expense.....	-----	\$617.0	-----	-----	617.0
Interest expense.....	2.4	4.8	-----	-----	7.2
Sales of foreign currencies.....	-----	-9.5	-----	-----	-9.5
Net expense, 1956.....	2.4	612.3	-----	-----	614.7
Reimbursement in dollars in future years.....	-64.6	64.6	-----	-----	-----
Appropriation, 1957.....	-67.3	-.2	-----	-----	-67.5
Fiscal year 1957:					
Program expense.....	-----	-----	\$900.0	-----	900.0
Interest expense.....	1.9	18.0	13.1	-----	33.0
Sales of foreign currencies.....	-----	-1.3	-30.0	-----	-31.3
Net expense, 1957.....	1.9	16.7	883.1	-----	901.7
Reimbursement in dollars in future years.....	-----	-66.3	58.3	-----	-8.0
Provision for loss on currencies.....	-----	8.0	-----	-----	8.0
Appropriation, 1958.....	-1.9	-635.1	-----	-----	-637.0

CURRENT AUTHORIZATIONS—Continued

COMMODITY STABILIZATION SERVICE—Continued

SPECIAL COMMODITY DISPOSAL PROGRAMS—continued

Special Commodity Disposal Programs, Commodity Stabilization Service—Continued

SALES OF SURPLUS AGRICULTURAL COMMODITIES FOR FOREIGN CURRENCIES—con.

[In millions]

	1955 program	1956 program	1957 program	1958 program	Total
Fiscal year 1958:					
Program expense.....				\$900.0	\$900.0
Interest expense.....		\$1.9	\$28.3	14.1	44.3
Sale of foreign currencies.....				-30.0	-30.0
Net expense, 1958.....		1.9	28.3	884.1	914.3
Reimbursement in dollars in future years.....			-130.0	120.0	-10.0
Provision for loss on currencies.....			10.0		10.0
Appropriation (estimate), 1959.....		-1.9	-849.7		-851.6
Fiscal year 1959:					
Interest expense.....			3.9	28.3	32.2
Reimbursement in dollars in future years.....				-197.0	-197.0
Provision for loss on currencies.....				17.0	17.0
Appropriation (estimate), 1960.....			-3.9	-852.4	-856.3

It is estimated that total costs incurred under this program, including interest, will amount to \$932,954,638 in 1957, and \$944,310,195 in 1958, for which reimbursement will be requested in subsequent years. Total costs incurred in carrying out this program through June 30, 1958, are estimated to be \$2,631,011,705, and the following table reflects the net costs incurred by Commodity Credit Corporation by years:

Fiscal year	Program expense	Interest	Total
1955.....	\$129,164,632	\$355,528	\$129,520,160
1956.....	616,963,458	7,263,254	624,226,712
1957 (estimate).....	900,000,000	32,954,638	932,954,638
1958 (estimate).....	900,000,000	44,310,195	944,310,195
Total.....	2,546,128,090	84,883,615	2,631,011,705
Deduct: Sales of currencies.....	70,793,477	xxx	70,793,477
Net Commodity Credit Corporation costs.....	2,475,334,613	84,883,615	2,560,218,228

SUMMARY

(To June 30, 1958)

Program costs.....	\$2,546,128,090
Interest costs to June 30, 1958.....	84,883,615
Subtotal.....	2,631,011,705
Recoveries:	
Dollars.....	70,793,477
Appropriations for costs through June 30, 1956.....	704,477,228
Unreimbursed costs June 30, 1958.....	1,855,741,000

4. *Transfer of hay and pasture seeds.*—The act of July 26, 1954, provided for the transfer of hay and pasture seed acquired by the Commodity Credit Corporation under the price-support program to the Forest Service and to the Fish and Wildlife Service and the Bureau of Land Management, Department of the Interior, and authorized the appropriation of funds to reimburse the Commodity Credit Corporation for its investment in the seeds transferred. The program has been completed and the 1957 appropriation covered reimbursement for operations during 1955.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
14 Interest.....	\$1,395,895	\$7,405,176	\$30,865,110
Undistributed: Repayment of advances from Commodity Credit Corporation.....	65,519,810	250,015,079	793,549,019
Total obligations.....	66,915,705	257,420,255	824,414,129

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$257,420,988	\$824,414,129
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....		257,420,255	824,414,129
Unobligated balance no longer available (expiring for obligations).....		733	
Total expenditures and balances.....		257,420,988	824,414,129

Miscellaneous

Administration of Price Adjustment Act of 1938, Department of Agriculture

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Unobligated balance brought forward.....	\$1,140		
EXPENDITURES AND BALANCES			
Unobligated balance no longer available (expiring for obligation).....	1,140		

International Wheat Agreement, Commodity Stabilization Service

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Financing:			
Comparative transfers to other accounts.....	\$57,378,551		
Appropriation.....	57,378,551		

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$57,378,551		
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....	57,378,551		

Reimbursement to Commodity Credit Corporation for Emergency Famine Relief to Friendly Peoples, Commodity Stabilization Service

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Financing:			
Comparative transfers to other accounts.....	\$9,537,154		
Unobligated balance no longer available.....	8,676		
Appropriation.....	9,545,830		

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$9,545,830		
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....	9,537,154		
Unobligated balance no longer available (expiring for obligation).....	8,676		
Total expenditures and balances.....	9,545,830		

Reimbursement to Commodity Credit Corporation for Emergency Feed Assistance, Commodity Stabilization Service

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Emergency feed assistance (total obligations).....	\$41,915,799	-----	-----
Financing:			
Unobligated balance no longer available.....	184,201	-----	-----
Appropriation	42,100,000	-----	-----

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Repayment of advances from Commodity Credit Corporation.....	\$41,915,799	-----	-----

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$42,100,000	-----	-----
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....	41,915,799	-----	-----
Unobligated balance no longer available (expiring for obligation).....	184,201	-----	-----
Total expenditures and balances	42,100,000	-----	-----

Reimbursement to Commodity Credit Corporation for Transfer of Wheat to Pakistan, Commodity Stabilization Service

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Transfer of wheat to Pakistan (total obligations).....	\$69,322,990	-----	-----
Financing:			
Unobligated balance no longer available.....	62,841	-----	-----
Appropriation	69,385,831	-----	-----

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
14 Interest.....	\$1,920,136	-----	-----
Undistributed: Repayment of advances from Commodity Credit Corporation.....	67,402,854	-----	-----
Total obligations	69,322,990	-----	-----

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$69,385,831	-----	-----
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....	69,322,990	-----	-----
Unobligated balance no longer available (expiring for obligation).....	62,841	-----	-----
Total expenditures and balances	69,385,831	-----	-----

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

"Agricultural conservation program, Agriculture."

"School lunch program, Agricultural Marketing Service."

"Soil bank program, Agriculture."

"Great plains program, Agriculture."

"Removal of surplus agricultural commodities."

"Disaster loans, etc., revolving fund, Department of Agriculture."

"Operation and maintenance, Air Force."

"Salaries and expenses, civil defense functions of Federal agencies, Federal Civil Defense Administration."

"Mutual security, funds appropriated to the President."

FEDERAL CROP INSURANCE CORPORATION

Operating and Administrative Expenses, Federal Crop Insurance Corporation

For operating and administrative expenses, **[\$6,210,000]** \$7,300,000. (7 U. S. C. 1501-1519; 31 U. S. C. 841, 846-852, 866-868c, 869; 70 Stat. 1034; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$6,210,000

Estimate 1958, \$7,300,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Underwriting and actuarial analysis.....	\$565,468	\$834,000	\$909,000
2. Contract sales and servicing.....	5,085,090	4,785,000	5,722,000
3. Crop inspections and loss adjustments.....	559,427	591,000	669,000
Total obligations	6,209,985	6,210,000	7,300,000
Financing:			
Comparative transfers to other accounts.....	4,184	-----	-----
Unobligated balance no longer available.....	31	-----	-----
Appropriation	6,214,200	6,210,000	7,300,000

PROGRAM AND PERFORMANCE

This appropriation relates to a portion of administrative and operating expenses of the Corporation. The budget for insurance operations and other costs financed from capital funds is in the section on revolving and management funds at the end of the chapter.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
FEDERAL CROP INSURANCE CORPORATION			
Total number of permanent positions.....	597	610	613
Full-time equivalent of all other positions.....	226	237	303
Average number of all employees.....	719	809	902
Number of employees at end of year.....	1,264	1,400	1,630
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,600	\$4,624	\$4,698
Average grade.....	GS-5.6	GS-5.6	GS-5.7
01 Personal services:			
Permanent positions.....	\$2,342,711	\$2,672,158	\$2,834,548
Positions other than permanent.....	\$14,589	\$89,002	\$1,129,635
Regular pay above 52-week base.....	7,741	-----	10,790
Payment above basic rates.....	942	-----	-----
Total personal services	3,165,983	3,561,160	3,974,973
02 Travel.....	828,513	942,795	1,100,970
03 Transportation of things.....	12,230	45,800	34,000
04 Communication services.....	157,392	189,400	192,300
05 Rents and utility services.....	116,039	148,600	168,600
06 Printing and reproduction.....	61,318	83,500	95,000
07 Other contractual services.....	21,681	49,500	51,000
Agents' commissions.....	1,723,552	1,030,765	1,327,357
Services performed by other agencies.....	8,849	39,000	40,000
08 Supplies and materials.....	46,815	58,200	62,700
09 Equipment.....	29,424	40,000	50,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	-----	-----	176,900
13 Refunds, awards, and indemnities.....	1,165	2,500	2,500
15 Taxes and assessments.....	17,442	18,780	23,700
Total, Federal Crop Insurance Corporation	6,190,403	6,210,000	7,300,000
ALLOCATION TO AGRICULTURAL MARKETING SERVICE			
Total number of permanent positions.....	3	-----	-----
Average number of employees.....	5	-----	-----
Number of employees at end of year.....	2	-----	-----
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,294	-----	-----
Average grade.....	GS-7.2	-----	-----
01 Personal services:			
Permanent positions.....	\$18,418	-----	-----
Regular pay above 52-week base.....	70	-----	-----
Total personal services	18,488	-----	-----
03 Transportation of things.....	40	-----	-----
04 Communication services.....	651	-----	-----
06 Printing and reproduction.....	64	-----	-----
07 Other contractual services.....	59	-----	-----

CURRENT AUTHORIZATIONS—Continued

FEDERAL CROP INSURANCE CORPORATION—Con.

Operating and Administrative Expenses, Federal Crop Insurance Corporation—Continued

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
ALLOCATION TO AGRICULTURAL MARKETING SERVICE—continued			
09 Equipment.....	\$255		
15 Taxes and assessments.....	25		
Total, Agricultural Marketing Service.....	19,582		
Total obligations.....	6,209,985	\$6,210,000	\$7,300,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$6,214,200	\$6,210,000	\$7,300,000
Obligated balance brought forward.....	2,232,966	1,511,299	553,299
Total budget authorizations available.....	8,447,166	7,721,299	7,853,299
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	4,703,080	5,660,000	6,481,000
Out of prior authorizations.....	2,040,730	1,508,000	550,000
Total expenditures.....	6,743,810	7,168,000	7,031,000
Balance no longer available:			
Unobligated (expiring for obligation).....	31		
Other.....	192,026		
Obligated balance carried forward.....	1,511,299	553,299	822,299
Total expenditures and balances.....	8,447,166	7,721,299	7,853,299

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U. S. C. 901-924), as follows:

LOAN AUTHORIZATIONS

Loans, Rural Electrification Administration, Agriculture

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act as follows: Rural electrification program, **[\$214,000,000]** \$179,000,000, of which not to exceed **[\$25,000,000]** \$20,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year **[1957]** 1958 under the then existing conditions for the expeditious and orderly development of the rural electrification program; and rural telephone program, **[\$100,000,000]** \$60,000,000, of which not to exceed **[\$20,000,000]** \$10,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year **[1957]** 1958 under the then existing conditions for the expeditious and orderly development of the rural telephone program. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.*)

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Rural electrification.....	\$192,719,356	\$185,000,000	\$185,000,000
2. Rural telephone.....	80,980,000	80,000,000	80,000,000
Total obligations.....	273,699,356	265,000,000	265,000,000
Financing:			
Unobligated balance of authorization to expend from debt receipts brought forward.....	-89,279,607	-55,022,706	-61,022,706
Recovery of prior obligations.....	-4,442,455	-2,000,000	-2,000,000
Unobligated balance of authorization to expend from debt receipts carried forward.....	55,022,706	61,022,706	7,022,706

PROGRAM AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Unobligated balance of debt receipts (reserve authorization available during year).....		\$45,000,000	\$30,000,000
Authorization to expend from debt receipts.....	\$235,000,000	314,000,000	239,000,000

PROGRAM AND PERFORMANCE

The Administration conducts two major programs: (a) The rural electrification program to provide electric service to farms and other rural establishments; and (b) the rural telephone program to furnish and improve telephone service in rural areas.

It is expected that electrification and telephone loans will continue at about the same level in 1958 as in 1957.

1. *Rural electrification.*—This program is financed through loans which bear 2-percent interest and must be repaid within a period not to exceed 35 years. Loans are also made for shorter periods at 2-percent interest to electrification borrowers to be reloaned to their consumers for wiring and for the installation of electrical and plumbing appliances and equipment. Funds for making loans are borrowed from the Secretary of the Treasury.

When the rural electrification program was initiated in 1935, less than 11 percent of all farms had electric service. On June 30, 1956, about 94 percent of the farms were electrified.

STATUS OF THE ELECTRIFICATION PROGRAM

	1956 actual	1957 estimate	1958 estimate
Program Financing			
Loan funds available:			
Loan requirements.....	\$192,719,356	\$185,000,000	\$185,000,000
Funds available for additional loans.....	124,677,530	54,677,530	24,677,530
Total loan funds available.....	317,396,886	239,677,530	209,677,530
Analysis of loan funds available:			
New loan authorization (including reserves).....	260,000,000	214,000,000	179,000,000
Carryover from prior year.....	55,723,431	24,677,530	29,677,530
Rescissions of prior loans.....	1,673,455	1,000,000	1,000,000
Total loan funds available.....	317,396,886	239,677,530	209,677,530
Less loan requirements.....	-192,719,356	-185,000,000	-185,000,000
Less reserves.....	-100,000,000	-25,000,000	-20,000,000
Balance to next year.....	24,677,530	29,677,530	4,677,530

Program Statistics

	1956 actual	1957 estimate	1958 estimate
Cumulative net loans.....	\$3,238,250,759	\$3,422,250,759	\$3,606,250,759
Cumulative funds advanced.....	\$2,755,235,813	\$2,915,235,813	\$3,095,235,813
Cumulative principal repaid.....	\$493,144,519	\$579,134,519	\$671,334,519
Cumulative interest paid.....	\$246,129,305	\$283,524,305	\$323,949,305
Cumulative miles energized.....	1,372,001	1,397,001	1,422,001
Cumulative consumers served.....	4,301,705	4,401,705	4,501,705
Number of borrowers.....	1,077	1,078	1,079

2. *Rural telephone.*—Loans are made for the purpose of financing the improvement, expansion, construction, acquisition, and operation of the telephone lines and facilities or systems to furnish and improve telephone service in rural areas. The loans bear 2-percent interest and must be repaid within a period not to exceed 35 years. Funds for making loans are borrowed from the Secretary of the Treasury.

In 1950, when the telephone program started, the census showed 38.2 percent of all farms with telephones, fewer in both number and percentage than in 1920. At the present time the percentage of farms having telephone service is estimated at approximately 50 percent. Cumulative Rural Electrification Administration loans through June

30, 1956, will provide initial or improved service to an estimated 695,389 rural subscribers.

STATUS OF THE TELEPHONE PROGRAM

Program Financing

	1956 actual	1957 estimate	1958 estimate
Loan funds available:			
Loan requirements.....	\$30,980,000	\$80,000,000	\$80,000,000
Funds available for additional loans.....	30,345,176	51,345,176	12,345,176
Total loan funds available.....	<u>111,325,176</u>	<u>131,345,176</u>	<u>92,345,176</u>
Analysis of loan funds available:			
New loan authorization (including re-			
serves).....	75,000,000	100,000,000	60,000,000
Carryover from prior year.....	33,556,176	30,345,176	31,345,176
Rescissions of prior loans.....	2,769,000	1,000,000	1,000,000
Total loan funds available.....	<u>111,325,176</u>	<u>131,345,176</u>	<u>92,345,176</u>
Less loan requirements.....	<u>-80,980,000</u>	<u>-80,000,000</u>	<u>-80,000,000</u>
Less reserves.....	<u> </u>	<u>-20,000,000</u>	<u>-10,000,000</u>
Balance to next year.....	<u>30,345,176</u>	<u>31,345,176</u>	<u>2,345,176</u>

Program Statistics

	1956 actual	1957 estimate	1958 estimate
Cumulative net loans.....	\$312,391,542	\$391,391,542	\$470,391,542
Cumulative funds advanced.....	\$153,808,413	\$218,808,413	\$293,808,413
Cumulative principal repaid.....	\$2,644,545	\$4,324,545	\$6,784,545
Cumulative interest paid.....	\$1,644,267	\$3,259,267	\$5,624,267
Miles of pole line constructed or improved,			
cumulative.....	68,607	100,607	138,607
Subscribers, new and improved service, cu-			
mulative.....	223,000	327,000	451,000
Number of borrowers.....	466	585	700

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION

	1956 actual	1957 estimate	1958 estimate
For the fiscal year:			
Lending operations:			
Interest income.....	\$47,014,480	\$49,620,000	\$52,735,000
Expense:			
Interest expense.....	45,155,927	47,797,800	50,862,400
Provision for possible losses on loans.....	608,718	700,000	750,000
Total expense.....	<u>45,764,645</u>	<u>48,497,800</u>	<u>51,612,400</u>
Net income from lending opera-			
tions.....	<u>1,249,835</u>	<u>1,122,200</u>	<u>1,122,600</u>
Administrative expenses (provided by			
annual appropriations): Salaries and			
expenses.....	8,035,395	8,584,000	9,629,000
Cumulative to end of fiscal year:			
Lending operations:			
Interest income.....	367,383,953	417,003,953	469,738,953
Expense:			
Interest expense.....	313,300,162	361,097,962	411,960,362
Provision for possible losses on loans.....	6,534,958	7,234,958	7,984,958
Losses on foreclosed loans.....	44,478	44,478	44,478
Total expense.....	<u>319,879,598</u>	<u>368,377,398</u>	<u>419,989,798</u>
Net income from lending opera-			
tions.....	<u>47,504,355</u>	<u>48,626,555</u>	<u>49,749,155</u>
Administrative expenses (provided by			
annual appropriations): Salaries and			
expenses.....	98,389,060	106,973,060	116,602,060
Assets:			
Loans and interest receivable less allow-			
ance for possible losses.....	\$2,526,286,105	\$2,673,808,105	\$2,843,908,105
Cash on hand.....	682,378	350,000	350,000
Cash on deposit with Treasury.....	7,131,183	7,177,500	6,619,775
Travel advances to employees and			
miscellaneous receivables.....	101,134	100,000	100,000
Total assets.....	<u>2,534,200,800</u>	<u>2,681,435,605</u>	<u>2,850,977,880</u>
Liabilities: Current.....	734,715	730,200	801,100
Investment of U. S. Government:			
Borrowings from Treasury.....	2,343,228,068	2,489,345,868	2,657,758,468
Appropriated administrative funds			
(net).....	98,502,856	107,086,176	116,651,351
Appropriated loan funds (net).....	142,619,866	142,619,866	142,619,866
Net income from lending operations.....	47,504,355	48,626,555	49,749,155
Administrative expenses.....	-98,389,060	-106,973,060	-116,602,060
Total investment of U. S. Govern-			
ment.....	<u>2,533,466,085</u>	<u>2,680,705,405</u>	<u>2,850,176,780</u>

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
16 Investments and loans.....	\$273,699,356	\$265,000,000	\$265,000,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Authorization to expend from debt re-			
ceipts.....	\$235,000,000	\$314,000,000	\$239,000,000
Balance of authorization to expend from			
debt receipts brought forward:			
Unobligated.....	89,279,607	55,022,706	61,022,706
Obligated.....	580,999,997	641,598,074	679,598,074
Total budget authorizations avail-			
able.....	<u>905,279,604</u>	<u>1,010,620,780</u>	<u>979,620,780</u>
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations to expend			
from debt receipts.....		15,000,000	15,000,000
Out of prior authorizations to expend			
from debt receipts.....	208,658,824	210,000,000	240,000,000
Total expenditures.....	<u>208,658,824</u>	<u>225,000,000</u>	<u>255,000,000</u>
Balance of authorization to expend from			
debt receipts carried forward:			
Unobligated.....	55,022,706	61,022,706	7,022,706
Obligated.....	641,598,074	679,598,074	687,598,074
Unobligated balance no longer available,			
debt receipts (expiring for obligation)			
(reserve authorization available during			
year).....		45,000,000	30,000,000
Total expenditures and balances.....	<u>905,279,604</u>	<u>1,010,620,780</u>	<u>979,620,780</u>

SALARIES AND EXPENSES

Salaries and Expenses, Rural Electrification Administration

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), **[\$8,600,000] \$9,629,000.** (5 U. S. C. 511-512; 7 U. S. C. 901-924; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, **\$8,600,000**

Estimate 1958, **\$9,629,000**

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Administration of rural electrifica-			
tion program.....	\$4,346,026	\$4,495,260	\$4,818,000
2. Administration of rural telephone			
program.....	3,726,510	4,104,740	4,811,000
Total obligations.....	<u>8,072,536</u>	<u>8,600,000</u>	<u>9,629,000</u>
Financing:			
Comparative transfers to other accounts.....	4,138		
Unobligated balance no longer available.....	63,326		
Appropriation.....	<u>8,140,000</u>	<u>8,600,000</u>	<u>9,629,000</u>

PROGRAM AND PERFORMANCE

The Administration makes self-liquidating loans for the extension and improvement of electric and telephone services in rural areas. Business management and technical help is furnished borrowers where needed to protect the Government's loan security and to assure that construction and operation of their systems conform to approved standards and are adequate to provide continuous and reliable service.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	1,089	1,119	1,176
Full-time equivalent of all other positions.....	4	4	4
Average number of all employees.....	1,013	1,075	1,141
Number of employees at end of year.....	1,040	1,109	1,166
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,355	\$6,399	\$6,423
Average grade.....	GS-9.0	GS-9.1	GS-9.1

CURRENT AUTHORIZATIONS—Continued

RURAL ELECTRIFICATION ADMINISTRATION—
Continued

SALARIES AND EXPENSES—continued

Salaries and Expenses, Rural Electrification Administration—Con.

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
01 Personal services:			
Permanent positions.....	\$6,435,711	\$6,928,310	\$7,356,275
Positions other than permanent.....	49,425	50,000	50,000
Regular pay above 52-week base.....	25,299	-----	28,230
Payment above basic rates.....	6,857	7,000	7,000
Total personal services.....	6,517,292	6,985,310	7,441,505
02 Travel.....	970,150	1,040,600	1,141,850
03 Transportation of things.....	25,871	33,175	35,810
04 Communication services.....	120,883	126,305	132,180
05 Rents and utility services.....	27,812	28,845	28,845
06 Printing and reproduction.....	112,022	102,500	107,500
07 Other contractual services.....	55,368	46,270	47,340
Services performed by other agencies.....	92,625	85,020	79,980
08 Supplies and materials.....	45,331	44,940	47,500
09 Equipment.....	95,393	97,000	97,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	-----	-----	459,000
13 Refunds, awards, and indemnities.....	7,590	7,500	7,500
15 Taxes and assessments.....	2,199	2,535	2,990
Total obligations.....	8,072,536	8,600,000	9,629,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$8,140,000	\$8,600,000	\$9,629,000
Obligated balance brought forward.....	479,024	415,342	500,110
Restored from certified claims account.....	-----	26,468	-----
Total budget authorizations available.....	8,619,024	9,041,810	10,129,110
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	7,661,419	8,099,900	9,058,000
Out of prior authorizations.....	462,274	441,800	500,000
Total expenditures.....	8,123,693	8,541,700	9,558,000
Balance no longer available:			
Unobligated (expiring for obligation).....	63,326	-----	-----
Other.....	16,663	-----	-----
Obligated balance carried forward.....	415,342	500,110	571,110
Total expenditures and balances.....	8,619,024	9,041,810	10,129,110

FARMERS' HOME ADMINISTRATION

To carry into effect the provisions of titles I, II, and the related provisions of title IV of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1000–1031); the Farmers' Home Administration Act of 1946 (7 U. S. C. 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C. Code 535; 60 Stat. 1062–1080); the Act of July 30, 1946 (40 U. S. C. 436–439); the Act of August 28, 1937, as amended (16 U. S. C. 590r–590x—3), for the development of facilities for water storage and utilization in the arid and semiarid areas of the United States; the provisions of title V of the Housing Act of 1949, as amended (42 U. S. C. 1471–1483), relating to financial assistance for farm housing; the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U. S. C. 440–444); the items "Loans to farmers, 1948 flood damage" in the Act of June 25, 1948 (62 Stat. 1038), and "Loans to farmers, property damage" in the Act of May 24, 1949 (63 Stat. 82); the collecting and servicing of credit sales and development accounts in water conservation and utilization projects (53 Stat. 685, 719), as amended and supplemented (16 U. S. C. 590y, z—1 and z—10); and the Act to direct the Secretary of Agriculture to convey certain mineral interests, approved September 6, 1950 (7 U. S. C. 1033–1039), as follows:

LOAN AUTHORIZATIONS

Loans, Farmers' Home Administration

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities, *except that*

*such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that Act, as amended): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, [\$24,000,000] \$50,000,000, of which not to exceed \$5,000,000 may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, [\$165,000,000] \$180,000,000; the Act of August 28, 1937, as amended, \$5,500,000; and an additional amount not to exceed \$15,000,000 may be borrowed under the same terms and conditions to the extent that such additional amount is required during fiscal year 1957 under the then existing conditions for the expeditious and orderly conduct of the loan program under title II of the Bankhead-Jones Farm Tenant Act, as amended: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952. (70 Stat. 801–804, 1034; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)*

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Farm ownership loans.....	\$18,999,999	\$24,000,000	\$50,000,000
2. Farm housing loans.....	3,760,035	30,000,000	50,000,000
3. Farm operating loans (production and subsistence loans).....	137,499,999	180,000,000	180,000,000
4. Soil and water conservation loans.....	1,321,089	5,500,000	5,500,000
Total obligations.....	161,581,122	239,500,000	285,500,000
Financing:			
Unobligated balance of authorization to expend from debt receipts brought forward.....	—92,183	—1,332,148	—421,332,148
Unobligated balance of authorization to expend from debt receipts carried forward.....	1,332,148	421,332,148	371,332,148
Unobligated balance no longer available.....	10,178,913	-----	-----
Authorization to expend from debt receipts.....	173,000,000	659,500,000	235,500,000

PROGRAM AND PERFORMANCE

The Administration makes and insures loans to farmers unable to obtain credit from other sources at reasonable rates.

The total borrowing authorization requested for loans amounts to \$235,500,000. In addition, it is proposed to borrow \$50 million under existing authority for farm housing loans. This is an increase of \$20 million over the estimated borrowing in 1957.

1. *Farm ownership loans.*—Direct farm ownership loans are made to tenants, sharecroppers, farm laborers, owners of inadequate farms, and eligible veterans for the purchase or improvement of family-type or less than family-type farms. Loans may be made to farm owners for the refinancing of secured or unsecured indebtedness. These loans may be made up to the full fair and reasonable value of the farm (normal market value on less than family-type farms to owner-operators with off-farm income) at 4½-percent interest up to 40 years. Loans for these purposes, and for building construction in amounts not exceeding \$15,000 on farms, the operation of which requiring not more than 3 farm families or 3 farm dwellings, are also made with funds advanced by private lenders. These loans are insured by the Government, and are made in amounts up to 90 percent of the value of the farm up to 40 years at 3½ percent interest, plus 0.5 percent as an insurance premium, and 0.5 percent as an administrative expense charge. The Administration services these insured loans, makes collections, and pays the lender.

FARM OWNERSHIP LOANS

	1956 actual		1957 estimate		1958 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications..	29,585		35,000		38,000	
Direct loans.....	1,718	\$18,999,999	2,220	\$24,000,000	4,480	\$50,000,000
Insured loans.....	3,418	39,765,277	2,655	30,000,000	2,655	30,000,000

2. *Farm housing loans.*—Direct farm housing loans are made to farm owners for periods up to 33 years at 4-percent interest to construct, improve, alter, repair or replace dwellings and other farm buildings.

FARM HOUSING LOANS

	1956 actual ¹		1957 estimate		1958 estimate	
	Number	Amount	Number	Amount	Number	Amount
Applications.....	2,125		16,000		22,000	
Loans.....	561	\$3,720,904	4,630	\$30,000,000	7,750	\$50,000,000

¹ For 2-month period during which 1956 funds were available.

3. *Farm operating loans.*—Direct loans are made for periods up to 7 years at 5-percent interest in amounts up to \$10,000, with a limitation of \$20,000 on the total principal indebtedness, to provide reasonable farm and home credit for the purchase of livestock, feed, seed, farm equipment and other farm necessities, including the refinancing of indebtedness, to operators of not larger than family-type farms. In justifiable cases, loans may be made beyond 7 years, but not beyond 10 years.

FARM OPERATING LOANS

	1956 actual		1957 estimate		1958 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	114,070		135,000		135,000	
Number of loans.....	72,454	\$137,499,999	84,360	\$180,000,000	93,640	\$180,000,000

4. *Soil and water conservation loans.*—Direct and insured loans are made to farmers and associations for the effective development and utilization of water supplies and for the improvement of farmland by soil and water conserving facilities and practices. Direct loans are made at 4½ percent interest and insured loans at 3½ percent interest plus 0.5 percent as an insurance premium and 0.5 percent as an administrative charge up to 20 years for individuals and 40 years for associations.

SOIL AND WATER CONSERVATION LOANS

Type	1956 actual		1957 estimate		1958 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	5,580		6,000		6,000	
Direct loans:						
To individuals.....	383	\$754,789	900	\$3,800,000	900	\$3,800,000
To groups.....	8	566,300	40	1,700,000	40	1,700,000
Insured loans:						
To individuals.....	1,904	9,930,657	1,330	6,840,000	1,330	6,840,000
To groups.....	26	658,595	20	600,000	20	600,000

Collections of principal and interest during 1956 exceeded the amount of new loans made by about 9 percent.

COLLECTIONS OF PRINCIPAL AND INTEREST

	1956 actual	1957 estimate	1958 estimate
Direct farm ownership loans.....	\$24,583,341	\$23,950,000	\$24,905,000
Farm housing loans.....	10,645,171	9,600,000	10,600,000
Farm operating loans.....	136,068,476	143,382,400	153,730,000
Soil and water conservation loans.....	3,643,516	3,850,000	4,120,000
Total.....	174,940,504	180,782,400	193,355,000

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION

	1956 actual	1957 estimate	1958 estimate
For the fiscal year:			
Lending operations:			
Income:			
Interest on loans.....	\$27,605,793	\$31,317,260	\$33,064,380
Other income.....	108,235		
Total income.....	27,714,028	31,317,260	33,064,380

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION—continued

	1956 actual	1957 estimate	1958 estimate
For the fiscal year—Continued			
Lending operations—Continued			
Expense:			
Interest on borrowings.....	\$3,265,906	\$4,080,000	\$6,630,000
Losses and writeoffs.....	16,623,196	18,650,940	18,446,500
Other expense.....	37,584	350,000	300,000
Increase or decrease (—) in allowance for losses:			
Loans.....	—4,658,405	—4,873,552	—1,820,000
Interest and other.....	—4,895,011	—4,491,305	—4,705,600
Total expense.....	10,373,270	13,716,083	18,850,900
Net income from lending operations.....	17,340,758	17,601,177	14,213,480
Administrative expense (provided by annual appropriations).....	26,516,097	27,695,000	29,914,000
Cumulative to end of fiscal year:			
Lending operations:			
Net results of prior year operations.....	104,235,443	121,576,201	139,177,378
Net income for year.....	17,340,758	17,601,177	14,213,480
Total lending operations.....	121,576,201	139,177,378	153,390,858
Administrative expense (provided by annual appropriations):			
Prior year expense.....	234,406,504	260,922,601	288,617,601
For the year.....	26,516,097	27,695,000	29,914,000
Total.....	260,922,601	288,617,601	318,531,601
Assets:			
Cash.....	\$17,875,017	\$21,020,217	\$34,206,017
Interest on loans and accounts receivable (net).....	23,571,176	25,754,028	27,715,708
Other current assets.....	35,264	35,154	35,154
Total current assets.....	41,481,457	46,809,399	61,956,879
Loans receivable.....	648,437,163	717,408,273	813,718,273
Allowance for losses on loans receivable (—).....	—83,938,552	—79,065,000	—77,245,000
Fixed property and equipment (net).....	121,810	121,810	121,810
Judgments and acquired security (net).....	1,406,079	1,259,452	1,081,052
Total assets.....	607,507,957	686,533,934	799,633,014
Liabilities: Current.....	1,996,740	2,346,740	2,646,740
Investment of U. S. Government:			
Borrowings from Treasury.....	150,797,612	212,338,812	311,183,612
Appropriations.....	406,448,162	434,198,162	464,198,162
Assets taken over from prior agencies (net).....	438,042,970	438,042,970	438,042,970
Results of lending operations (net).....	121,576,201	139,177,378	153,390,858
Administrative expenses (—).....	—260,922,601	—288,617,601	—318,531,601
Deposit of general and special fund revenue (—).....	—250,431,127	—250,952,527	—251,297,727
Total investment of U. S. Government.....	605,511,217	684,187,194	796,986,274

OBLIGATIONS BY OBJECTS

16 Investments and loans.....	\$161,581,122	\$239,500,000	\$285,500,000
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BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Authorization to expend from debt receipts.....	\$173,000,000	\$659,500,000	\$235,500,000
Balance (of authorizations to expend from debt receipts) brought forward:			
Unobligated.....	92,183	1,332,148	421,332,148
Obligated.....	2,647,932	5,627,447	9,400,447
Total budget authorizations available.....	175,740,115	666,459,595	666,232,595
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations to expend from debt receipts.....	158,436,281	228,768,000	226,100,000
Out of prior authorizations to expend from debt receipts.....		6,959,000	47,300,000
Total expenditures.....	158,436,281	235,727,000	273,400,000
Balance no longer available:			
Unobligated (expiring for obligation).....	10,178,913		
Other.....	165,326		
Balance (of authorizations to expend from debt receipts) carried forward:			
Unobligated.....	1,332,148	421,332,148	371,332,148
Obligated.....	5,627,447	9,400,447	21,500,447
Total expenditures and balances.....	175,740,115	666,459,595	666,232,595

CURRENT AUTHORIZATIONS—Continued

FARMERS' HOME ADMINISTRATION—Continued

SALARIES AND EXPENSES

Salaries and Expenses, Farmers' Home Administration

For making, servicing, and collecting loans and insured mortgages, the servicing and collecting of loans made under prior authority, the liquidation of assets transferred to Farmers' Home Administration, and other administrative expenses, **[\$26,750,000]** **\$30,000,000**, together with a transfer of not to exceed **[\$550,000]** **\$950,000** of the fees and administrative expense charges made available by subsections (d) and (e) of section 12 of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1005 (b)), and section 10 (c) of the Act of August 28, 1937, as amended.

For an additional amount for "Salaries and expenses", \$1,000,000: Provided, That this appropriation shall be available only upon enactment into law of H. R. 11544, Eighty-fourth Congress, or similar legislation amending the Bankhead-Jones Farm Tenant Act, as amended.] (Department of Agriculture and Farm Credit Administration Appropriation Act, 1957; Second Supplemental Appropriation Act, 1957.)

Appropriated 1957, **\$27,750,000**Estimate 1958, **\$30,000,000**

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Administration of direct and insured loan programs (total obligations)-----	\$26,650,123	\$28,300,000	\$30,830,000
Financing:			
Comparative transfers to other accounts-----	10,456	-----	-----
Advances and reimbursements from other accounts-----	-420,000	-550,000	-830,000
Unobligated balance no longer available-----	109,421	-----	-----
Appropriation-----	26,350,000	27,750,000	30,000,000

PROGRAM AND PERFORMANCE

These funds are used to administer the loan programs of the Farmers' Home Administration including reviewing applications, making and collecting loans and providing technical assistance and guidance to borrowers.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions-----	4,670	4,961	5,060
Full-time equivalent of all other positions-----	472	468	496
Average number of all employees-----	4,943	5,133	5,343
Number of employees at end of year-----	9,652	9,850	9,980
Average salaries and grades:			
General schedule grades:			
Average salary-----	\$4,692	\$4,705	\$4,725
Average grade-----	GS-5.8	GS-5.9	GS-5.9
01 Personal services:			
Permanent positions-----	\$20,970,984	\$22,182,800	\$23,064,800
Positions other than permanent-----	750,431	699,000	735,000
Regular pay above 52-week base-----	83,176	-----	87,000
Payment above basic rates-----	169,782	152,000	158,000
Other payments for personal services-----	3,323	2,000	-----
Total personal services-----	21,977,696	23,035,800	24,044,800
02 Travel-----	2,597,624	3,030,000	3,120,000
03 Transportation of things-----	148,283	136,000	136,000
04 Communication services-----	543,990	560,000	565,000
05 Rents and utility services-----	673,698	770,000	785,000
06 Printing and reproduction-----	218,051	180,000	170,000
07 Other contractual services-----	204,921	210,000	216,000
Services performed by other agencies-----	30,335	35,000	39,000
08 Supplies and materials-----	123,664	162,000	164,000
09 Equipment-----	101,646	150,000	130,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund-----	-----	-----	1,428,000
13 Refunds, awards, and indemnities-----	-----	200	200
Awards for employee suggestions-----	19,176	23,000	23,000
15 Taxes and assessments-----	11,039	8,000	9,000
Total obligations-----	26,650,123	28,300,000	30,830,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation-----	\$26,350,000	\$27,750,000	\$30,000,000
Obligated balance brought forward-----	1,644,204	1,345,114	1,400,679
Restored from certified claims account-----	-----	565	-----
Total budget authorizations available-----	27,994,204	29,095,679	31,400,679
EXPENDITURES AND BALANCES			
Expenditures--			
Out of current authorizations-----	24,897,569	26,350,000	28,514,000
Out of prior authorizations-----	1,624,307	1,345,000	1,400,000
Total expenditures-----	26,521,876	27,695,000	29,914,000
Balance no longer available:			
Unobligated (expiring for obligation)-----	109,421	-----	-----
Other-----	17,793	-----	-----
Obligated balance carried forward-----	1,345,114	1,400,679	1,486,679
Total expenditures and balances-----	27,994,204	29,095,679	31,400,679

Miscellaneous

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedule of the parent appropriation, as follows:
 "Disaster loans, etc., revolving fund, Department of Agriculture."
 "Mutual security, funds appropriated to the President."
 "Watershed protection, Soil Conservation Service."

OFFICE OF THE GENERAL COUNSEL

Salaries and Expenses, Office of the General Counsel, Agriculture

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, **[\$2,740,000]** **\$3,172,000**.

For an additional amount for "Office of the General Counsel", \$45,000: Provided, That this appropriation shall be available only upon enactment into law of H. R. 11544, Eighty-fourth Congress, or similar legislation amending the Bankhead-Jones Farm Tenant Act, as amended.] (5 U. S. C. 511-512, 518; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957; Second Supplemental Appropriation Act, 1957.)

Appropriated 1957, **\$2,785,000**Estimate 1958, **\$3,172,000**

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Agricultural credit and conservation-----	\$1,285,666	\$1,400,000	\$1,568,000
2. Commodity credit, production, and adjustment programs-----	687,722	709,000	773,000
3. Marketing and regulatory laws-----	438,051	442,000	584,000
4. Agricultural research and staff legal services-----	209,813	234,000	247,000
Total obligations-----	2,621,252	2,785,000	3,172,000
Financing:			
Advances and reimbursements from other accounts-----	-401,000	-----	-----
Unobligated balance no longer available-----	35,748	-----	-----
Appropriation-----	2,256,000	2,785,000	3,172,000

PROGRAM AND PERFORMANCE

The Office serves as legal counsel for the Secretary of Agriculture and performs all legal work for the Department. It represents the Department in administrative proceedings for the promulgation of rules and regulations having the force and effect of law and in quasi-judicial

hearings held in connection with the administration of Department programs. The Office also represents the Secretary in proceedings before the Interstate Commerce Commission dealing with rates and practices relating to the transportation of agricultural commodities and in appeals from the decisions of the Commission to the courts. It examines titles to lands to be acquired by the Department or accepted as security for loans, and disposes of claims arising out of the Department's activities.

Increases in 1958 are to meet anticipated expansion in workload connected with loaning activities, disposal of surplus commodities, and marketing and regulatory programs.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	470	456	488
Full-time equivalent of all other positions.....	1	2	2
Average number of all employees.....	383	417	446
Number of employees at end of year.....	396	420	450
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,043	\$6,090	\$6,105
Average grade.....	GS-7.9	GS-8.0	GS-8.0
01 Personal services:			
Permanent positions.....	\$2,387,801	\$2,543,150	\$2,729,755
Positions other than permanent.....	4,695	6,800	6,800
Regular pay above 52-week base.....	9,197	10,480	10,480
Payment above basic rates.....	4,193	3,500	3,500
Other payments for personal services.....	1,057		
Total personal services.....	2,406,943	2,553,450	2,750,535
02 Travel.....	80,022	82,250	94,350
03 Transportation of things.....	5,393	4,000	4,000
04 Communication services.....	33,383	34,850	36,850
05 Rents and utility services.....	9,489	13,000	9,000
06 Printing and reproduction.....	20,541	21,500	24,750
07 Other contractual services.....	15,257	14,500	16,250
Services performed by other agencies.....	2,472	10,000	10,000
08 Supplies and materials.....	24,360	23,150	25,900
09 Equipment.....	23,125	27,600	29,100
11 Grants, subsidies, and contributions:			170,565
Contribution to retirement fund.....			
13 Refunds, awards, and indemnities.....		200	200
15 Taxes and assessments.....	267	500	500
Total obligations.....	2,621,252	2,785,000	3,172,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$2,256,000	\$2,785,000	\$3,172,000
Obligated balance brought forward.....	151,560	125,453	139,470
Restored from certified claims account.....		1,017	
Total budget authorizations available.....	2,407,560	2,911,470	3,311,470
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	2,095,671	2,645,750	3,022,000
Out of prior authorizations.....	149,183	126,250	138,000
Total expenditures.....	2,244,854	2,772,000	3,160,000
Balances no longer available:			
Unobligated (expiring for obligation).....	35,748		
Other.....	1,505		
Obligated balance carried forward.....	125,453	139,470	151,470
Total expenditures and balances.....	2,407,560	2,911,470	3,311,470

Miscellaneous

Allotments Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments from other appropriations are shown in the schedule of the parent appropriation, as follows:

"Disaster loans, etc., revolving fund, Department of Agriculture."

"Soil bank program, Agriculture."

OFFICE OF THE SECRETARY

Salaries and Expenses, Office of the Secretary of Agriculture

For expenses of the Office of the Secretary of Agriculture, including the purchase of one passenger motor vehicle for replacement only; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight,

express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131), and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; [\$2,500,000] \$2,726,000. (5 U. S. C. 511-517; secs. 511-512—establishing the Department of Agriculture, which was implemented by the Act of July 24, 1919 (5 U. S. C. 563-564), apply to all appropriation items of the Department which are not based upon specific legislative authority either incorporated in the language of the item or cited immediately thereunder; 5 U. S. C. 520a, 542-1, 543b, 1001, 2131; 70 Stat. 736-743; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$2,500,000

Estimate 1958, \$2,726,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. General administration.....	\$511,940	\$525,593	\$608,710
2. Personnel administration and service.....	603,414	633,014	670,480
3. Budgetary and financial administration and service.....	611,213	613,498	648,540
4. General operations.....	572,509	573,475	606,250
5. Regulatory hearings and decisions.....	143,677	142,920	176,770
6. National Agricultural Advisory Commission.....	12,516	11,500	15,250
Total obligations.....	2,455,269	2,500,000	2,726,000
Financing:			
Comparative transfers from (—) other accounts.....	—93,313		
Advances from "Administrative expenses, Commodity Credit Corporation fund (limitation)".....	—90,500		
Unobligated balance no longer available.....	10,844		
Appropriation (adjusted).....	2,282,300	2,500,000	2,726,000

PROGRAM AND PERFORMANCE

The Office provides overall planning, coordination, and administration of the Department's programs, and also supplies certain services on a departmentwide basis. In addition to general administration through the Secretary, the under secretary, the assistant secretaries, and their staffs, activities are:

2. *Personnel administration and service.*—Departmentwide supervision, leadership, and coordination are provided for the personnel management program. Departmental policies and procedures are promulgated. Authority for carrying out operational phases of the personnel management program have been substantially delegated to the agencies. A systematic and periodic review is conducted to insure unification of the personnel management program and to measure its effectiveness and how well it serves the agencies' personnel management requirements.

3. *Budgetary and financial administration and service.*—Departmentwide supervision, leadership, and coordination are provided for budgetary and fiscal management, internal audit and program appraisal, and in related activities. Departmental policies and procedures are formulated and promulgated, programs and legislative proposals are reviewed and evaluated for budgetary, financial, and related implications; and improvements are fostered in the management and operation of work programs administered by the Department.

4. *General operations.*—Departmentwide supervision, leadership and coordination are provided for real and personal property and supply and records management. Departmental policies and procedures are formulated and promulgated. Administrative services and budgetary functions are provided for the Office of the Secretary, and departmental service operations are furnished in the District of Columbia, including the Department's post office,

CURRENT AUTHORIZATIONS—Continued

OFFICE OF THE SECRETARY—Continued

Salaries and Expenses, Office of the Secretary of Agriculture—Con. telephone switchboard, telegraph office, and reproduction and supply services.

5. *Regulatory hearings and decisions.*—The hearing examiners hold hearings in connection with the prescribing of new regulations and orders and on disciplinary complaints filed by the Department or on petitions filed by private parties asking relief from some action of the Department. Final administrative decisions in regulatory proceedings are rendered by the judicial officer. Agriculture Decisions is published monthly.

6. *National Agricultural Advisory Commission.*—Provision is made for the payment of necessary expenses incident to periodic meetings of the National Agricultural Advisory Commission.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	343	344	349
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	331	340	344
Number of employees at end of year.....	333	340	344
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,399	\$6,469	\$6,505
Average grade.....	GS-8.4	GS-8.5	GS-8.5
01 Personal services:			
Permanent positions.....	\$2,130,794	\$2,228,107	\$2,279,113
Positions other than permanent.....	7,487	5,000	5,000
Regular pay above 52-week base.....	7,094		8,934
Payment above basic rates.....	7,359	6,030	6,030
Other payments for personal services.....	6,345		
Total personal services.....	2,159,079	2,239,137	2,299,077
02 Travel.....	125,673	134,106	145,606
03 Transportation of things.....	7,331	3,939	3,939
04 Communication services.....	34,494	29,900	30,100
05 Rents and utility services.....	1,238	1,000	1,000
06 Printing and reproduction.....	69,544	58,100	60,400
07 Other contractual services.....	9,525	5,650	10,200
Services performed by other agencies.....	18,582	9,850	9,850
08 Supplies and materials.....	16,850	13,665	17,065
09 Equipment.....	11,430	3,400	4,570
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			142,940
13 Refunds, awards, and indemnities.....	30		
15 Taxes and assessments.....	1,493	1,253	1,253
Total obligations.....	2,455,269	2,500,000	2,726,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$2,282,300	\$2,500,000	\$2,726,000
Obligated balance brought forward.....	141,660	117,697	124,597
Increase in prior year obligations.....	751		
Total budget authorizations available.....	2,424,711	2,617,697	2,850,597
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	2,153,956	2,376,000	2,568,000
Out of prior authorizations.....	142,214	117,100	124,500
Total expenditures.....	2,296,170	2,493,100	2,692,500
Unobligated balance no longer available (expiring for obligation).....	10,844		
Obligated balance carried forward.....	117,697	124,597	158,097
Total expenditures and balances.....	2,424,711	2,617,697	2,850,597

Miscellaneous

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriation "Mutual security, funds appropriated to the President."

OFFICE OF INFORMATION

Salaries and Expenses, Office of Information, Agriculture

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, [\$1,325,000] \$1,465,000, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U. S. C. 417) and not less than two hundred thirty thousand eight hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U. S. C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a). (5 U. S. C. 511-512; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$1,325,000

Estimate 1958, \$1,465,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Publications review and distribution.....	\$621,231	\$643,317	\$694,650
2. Review and distribution of current agricultural information.....	464,545	473,979	528,230
3. Review, preparation, and distribution of visual agricultural information.....	207,672	207,704	242,120
Total obligations.....	1,293,448	1,325,000	1,465,000
Financing:			
Comparative transfers from (—) other accounts.....	—17,100		
Unobligated balance no longer available.....	5,152		
Appropriation.....	1,281,500	1,325,000	1,465,000

PROGRAM AND PERFORMANCE

The Office has responsibility for the information work of the entire Department. Its major objective is to report to farmers, specially affected groups, and to the public the Department's research, action, regulatory, and other programs, using all information media. This work is carried on in close cooperation with the land-grant colleges and with private industries which serve agriculture. The workload is dependent upon the demands from Department programs, direct requests, and legislative requirements.

1. *Publications review and distribution.*—Publications include farmers' bulletins, leaflets, periodicals, scientific, research, and marketing publications, and agricultural statistics. Most of the increase is to provide special information materials in connection with the rural development program. There is a need for simple, highly visualized materials for use of county workers who will collaborate in programs for low-income and part-time farmers.

2. *Review and distribution of current agricultural information.*—The Department's activities require the issuance of about 3,700 periodic crop, price, and market reports and press releases annually. Special information is furnished to national magazines, encyclopedic annuals, and trade publications. Digests, newsletters, and other services are made available to press associations, daily newspapers, and farm publications. Part 2 of the Secretary's annual report, known as the Yearbook of Agriculture,

ture, is published by the Office and distributed by Members of Congress. Radio is used to reach farmers locally and to broadcast regular weekly programs on major networks. Television package programs are prepared for use of land-grant colleges and television farm broadcasters. The increase is to provide adequate support to the Department's programs and increased research activities.

3. *Review, preparation, and distribution of visual agricultural information.*—Motion pictures for the Department and private industries which serve agriculture are produced on a reimbursable basis and distributed through 74 cooperating State film libraries. Still photographs, illustrations, and graphics are similarly produced. News and general-type photographs of Department programs and activities are available from a centralized library. Exhibits are produced and supplied to State extension workers for their use in State exhibit showings.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	128	132	147
Full-time equivalent of all other positions.....	1		
Average number of all employees.....	117	120	135
Number of employees at end of year.....	130	133	148
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,524	\$5,655	\$5,698
Average grade.....	GS-6.9	GS-7.2	GS-7.3
Ungraded positions: Average salary.....	\$4,128	\$4,160	\$4,228
01 Personal services:			
Permanent positions.....	\$645,475	\$679,575	\$767,972
Positions other than permanent.....	3,158		
Regular pay above 52-week base.....	2,176		2,418
Payment above basic rates.....	783		
Total personal services.....	651,592	679,575	770,390
02 Travel.....	11,319	12,500	13,000
03 Transportation of things.....	2,387	2,300	2,000
04 Communication services.....	85,444	66,000	65,000
06 Printing and reproduction.....	500,289	512,425	518,210
07 Other contractual services.....	6,756	14,500	14,000
Services performed by other agencies.....	18,865	25,000	25,000
08 Supplies and materials.....	7,257	8,000	8,000
09 Equipment.....	9,154	4,300	2,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			47,000
15 Taxes and assessments.....	385	400	400
Total obligations.....	1,293,448	1,325,000	1,465,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$1,281,500	\$1,325,000	\$1,465,000
Obligated balance brought forward.....	417,006	584,692	524,279
Increase in prior year obligations.....	4,733		
Restored from certified claims account.....		87	
Total budget authorizations available.....	1,703,239	1,909,779	1,989,279
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	905,057	935,500	1,037,500
Out of prior authorizations.....	208,000	450,000	425,000
Total expenditures.....	1,113,117	1,385,500	1,462,500
Balance no longer available:			
Unobligated (expiring for obligation).....	5,152		
Other.....	278		
Obligated balance carried forward.....	584,092	524,279	526,779
Total expenditures and balances.....	1,703,239	1,909,779	1,989,279

Miscellaneous

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

“Mutual security, funds appropriated to the President.”

“Soil bank program, Agriculture.”

LIBRARY

Salaries and Expenses, Library, Agriculture

For necessary expenses, including dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, [\$735,000] \$824,000. (5 U. S. C. 83, 511-512, 514, 516, 552a; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$735,000

Estimate 1958, \$824,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Agricultural library services (total obligations).....	\$698,341	\$735,000	\$824,000
Financing:			
Unobligated balance no longer available.....	1,609		
Appropriation.....	699,950	735,000	824,000

PROGRAM AND PERFORMANCE

The library, a basic unit in the research, extension and regulatory work of the Department and the State agricultural agencies, acquires, records, and makes available through its catalogs, indexes, and bibliographical lists, important books, periodicals, and other publications containing information on agricultural and allied fields. It contains approximately 1,050,000 volumes, probably the most extensive agricultural collection existing in any country. Its services are also used by agricultural colleges, universities, other research and educational institutions through the world, individual farmers, and the general public. It serves as the national agricultural library.

During 1956, 25,414 volumes and 293,774 separate issues of periodicals were added to the collection by purchase, gift, and exchange. During 1956, 1,170,965 loans of books and periodicals were made and 141,070 reference questions were answered. The Bibliography of Agriculture, a comprehensive monthly index to the technical agricultural knowledge of the world, listed a total of 97,202 items.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	135	139	147
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	127	130	135
Number of employees at end of year.....	132	136	141
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,518	\$4,552	\$4,617
Average grade.....	GS-5.4	GS-5.6	GS-5.6
01 Personal services:			
Permanent positions.....	\$569,018	\$596,695	\$620,770
Positions other than permanent.....	880	1,480	1,180
Regular pay above 52-week base.....	2,289		2,100
Payment above basic rates.....	460	450	200
Total personal services.....	572,647	598,625	624,250
02 Travel.....	2,380	1,900	1,950
03 Transportation of things.....	549	600	550
04 Communication services.....	12,527	13,000	14,000
06 Printing and reproduction.....	4,254	3,400	3,400
Binding.....	26,070	28,000	29,500
07 Other contractual services.....	22,347	32,250	44,700
Services performed by other agencies.....	2,210	1,525	1,525
08 Supplies and materials.....	6,141	5,125	4,450
09 Equipment.....	46,549	48,000	57,900
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			39,100
13 Refunds, awards, and indemnities.....	1,954	1,800	1,800
15 Taxes and assessments.....	713	775	875
Total obligations.....	698,341	735,000	824,000

CURRENT AUTHORIZATIONS—Continued

LIBRARY—Continued

Salaries and Expenses, Library, Agriculture—Continued

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$699,950	\$735,000	\$824,000
Obligated balance brought forward.....	52,476	33,034	45,234
Restored from certified claims account.....		2,200	
Total budget authorizations available.....	752,426	770,234	869,234
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	665,913	694,800	773,000
Out of prior authorizations.....	46,363	30,200	40,000
Total expenditures.....	712,276	725,000	813,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES—con.			
Balance no longer available:			
Unobligated (expired for obligation).....	\$1,609		
Other.....	5,507		
Obligated balance carried forward.....	33,034	\$45,234	\$56,234
Total expenditures and balances.....	752,426	770,234	869,234

Miscellaneous

Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations from other appropriations are shown in the schedules of the parent appropriation "Mutual security, funds appropriated to the President."

PERMANENT AUTHORIZATIONS

(Indefinite appropriation, special account, unless otherwise indicated)

FOREST SERVICE

Expenses, Brush Disposal, Forest Service

Appropriated (estimate) 1957, \$4,500,000 Estimate 1958, \$5,000,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Brush disposal.....	\$3,284,443	\$4,500,000	\$5,000,000
2. Brush disposal—fighting forest fires.....	1,921,386		
Total obligations.....	5,205,829	4,500,000	5,000,000
Financing:			
Unobligated balance brought forward.....	—3,790,346	—2,031,578	—3,952,964
Advances and reimbursements from other accounts.....		—1,921,386	
Unobligated balance carried forward.....	2,031,578	3,952,964	3,952,964
Appropriation.....	3,447,061	4,500,000	5,000,000

PROGRAM AND PERFORMANCE

Payments made for this purpose by purchasers of national-forest timber are used to dispose of slash and other debris that result from cutting operations (16 U. S. C. 490). In 1956 funds available under this appropriation were used for fighting forest fires (31 U. S. C. 534). These funds were reimbursed from the salaries and expenses appropriation in 1957.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	107	153	163
Full-time equivalent of all other positions.....	673	659	730
Average number of all employees.....	839	861	954
Number of employees at end of year.....	1,722	1,548	1,700
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,074
Average grade.....	GS-6.6	GS-6.6	GS-6.7
01 Personal services:			
Permanent positions.....	\$773,655	\$918,255	\$1,018,155
Positions other than permanent.....	1,679,710	2,426,090	2,690,020
Regular pay above 52-week base.....	3,210		3,900
Payment above basic rates.....	195,563	95,950	106,400
Other payments for personal services.....	908,611		
Total personal services.....	3,560,749	3,440,295	3,818,475
02 Travel.....	81,881	23,400	26,000
03 Transportation of things.....	90,227	32,250	36,000
04 Communication services.....	17,706	15,370	17,000
05 Rents and utility services.....	87,125	31,450	35,000
06 Printing and reproduction.....	347	125	150
07 Other contractual services.....	397,654	207,500	200,000
Services performed by other agencies.....	328,478	283,500	285,000

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
08 Supplies and materials.....	\$408,024	\$315,500	\$347,500
09 Equipment.....	192,733	187,360	202,325
10 Lands and structures.....	3,453	9,500	10,500
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			62,500
13 Refunds, awards, and indemnities.....	14,192	4,200	5,000
15 Taxes and assessments.....	38,949	45,500	50,500
Subtotal.....	5,221,518	4,595,950	5,095,950
Deduct charges for quarters and subsistence.....	15,689	95,950	95,950
Total obligations.....	5,205,829	4,500,000	5,000,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$3,447,061	\$4,500,000	\$5,000,000
Balance brought forward:			
Unobligated.....	3,790,346	2,031,578	3,952,964
Obligated.....	276,151	1,624,451	453,065
Total budget authorizations available.....	7,513,558	8,156,029	9,406,029
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	3,857,529	650,000	850,000
Out of prior authorizations.....		3,100,000	4,000,000
Total expenditures.....	3,857,529	3,750,000	4,850,000
Balance carried forward:			
Unobligated.....	2,031,578	3,952,964	3,952,964
Obligated.....	1,624,451	453,065	603,065
Total expenditures and balances.....	7,513,558	8,156,029	9,406,029

Roads and Trails for States, National Forests Fund

Appropriated (est.) 1957, \$11,397,600 Estimate 1958, \$11,848,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Construction.....	\$5,748,685	\$8,610,535	
2. Maintenance.....	1,712,619	3,181,000	
3. Advance to "Forest roads and trails, Forest Service".....			\$11,848,000
Total obligations.....	7,461,304	11,791,535	11,848,000
Financing:			
Unobligated balance brought forward.....	—101,366	—393,935	
Unobligated balance carried forward.....	393,935		
Appropriation.....	7,753,873	11,397,600	11,848,000

PROGRAM AND PERFORMANCE

Ten percent of the amounts annually received from national forest activities is available for construction and maintenance of roads and trails within the States from which such proceeds are derived (16 U. S. C. 501). These funds will be advanced to the appropriation "Forest roads and trails" in 1958.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
FOREST SERVICE			
Total number of permanent positions.....	403	445	
Full-time equivalent of all other positions.....	431	495	
Average number of all employees.....	843	947	
Number of employees at end of year.....	1,438	1,441	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	
Average grade.....	GS-6.6	GS-6.6	
Ungraded positions: Average salary.....	\$4,168	\$4,266	
01 Personal services:			
Permanent positions.....	\$1,892,353	\$2,092,096	
Positions other than permanent.....	1,224,854	1,527,617	
Regular pay above 52-week base.....	5,958		
Payment above basic rates.....	31,743	44,665	
Other payments for personal services.....	30	31	
Total personal services.....	3,154,938	3,664,409	
02 Travel.....	96,975	110,000	
03 Transportation of things.....	56,100	65,000	
04 Communication services.....	14,238	17,000	
05 Rents and utility services.....	47,583	55,000	
06 Printing and reproduction.....	11,617	10,000	
07 Other contractual services.....	655,380	1,400,000	\$11,848,000
Services performed by other agencies.....	869,352	940,000	
08 Supplies and materials.....	637,963	1,100,000	
09 Equipment.....	124,619	160,000	
10 Lands and structures.....	754,878	3,306,701	
15 Taxes and assessments.....	28,200	35,000	
Subtotal.....	6,451,843	10,863,110	11,848,000
Deduct charges for quarters and subsistence.....	18,179	71,575	
Total, Forest Service.....	6,433,664	10,791,535	11,848,000
ALLOCATION TO BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE			
Total number of permanent positions.....	30	45	
Full-time equivalent of all other positions.....	10	15	
Average number of all employees.....	38	48	
Number of employees at end of year.....	23	35	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,537	\$5,729	
Average grade.....	GS-7.5	GS-7.7	
Ungraded positions: Average salary.....	\$5,914	\$5,907	
01 Personal services:			
Permanent positions.....	\$60,971	\$96,000	
Positions other than permanent.....	32,287	48,000	
Regular pay above 52-week base.....	235		
Payment above basic rates.....	4,490	6,000	
Total personal services.....	97,983	150,000	
02 Travel.....	10,582	15,000	
03 Transportation of things.....	188	300	
04 Communication services.....	79	200	
05 Rents and utility services.....	995	1,500	
06 Printing and reproduction.....	658	2,000	
07 Other contractual services.....	59,322	100,000	
08 Supplies and materials.....	5,790	10,000	
09 Equipment.....	53		
10 Lands and structures.....	852,676	721,000	
Subtotal.....	1,028,326	1,000,000	
Deduct charges for quarters and subsistence.....	686		
Total, Bureau of Public Roads.....	1,027,640	1,000,000	
Total obligations.....	7,461,304	11,791,535	11,848,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$7,753,873	\$11,397,600	\$11,848,000
Balance brought forward:			
Unobligated.....	101,366	393,935	
Obligated.....	2,231,993	2,427,058	3,418,593
Total budget authorizations available.....	10,087,232	14,218,593	15,266,593

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	\$7,266,239	{ \$8,400,000 2,400,000	{ \$11,848,000 2,800,000
Out of prior authorizations.....			
Total expenditures.....	7,266,239	10,800,000	14,648,000
Balance carried forward:			
Unobligated.....	393,935		
Obligated.....	2,427,058	3,418,593	618,593
Total expenditures and balances.....	10,087,232	14,218,593	15,266,593

Miscellaneous Permanent Appropriations, Forest Service

Appropriated (est.) 1957, \$29,253,600 Estimate 1958, \$30,439,400

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Development and improvement of a ranger dwelling, Tonto National Forest.....	\$341	\$645	
2. Forest fire prevention.....	31,080	23,712	\$15,000
3. Payment to Minnesota.....	46,234	46,500	50,000
4. Payments due counties, submarginal land program.....	460,619	575,000	625,000
5. Payments to school funds, Arizona and New Mexico.....	114,301	129,400	129,400
6. Payments to States and Territories.....	19,381,155	28,487,700	29,620,000
Total obligations.....	20,033,730	29,262,957	30,439,400
Financing:			
Unobligated balance brought forward.....	-20,823	-9,357	
Unobligated balance carried forward.....	9,357		
Appropriation.....	20,022,264	29,253,600	30,439,400

PROGRAM AND PERFORMANCE

2. *Forest fire prevention.*—Fees for the use of the character "Smokey Bear" by private enterprises are collected under regulations promulgated by the Secretary and are available for furthering the nationwide forest fire prevention campaign (66 Stat. 92).

3. *Payment to Minnesota.*—At the close of each fiscal year the State of Minnesota is paid three-fourths of 1 percent of the appraised value of certain Superior National Forest lands in the counties of Cook, Lake, and Saint Louis for distribution to these counties (16 U. S. C. 577g).

4. *Payments due counties, submarginal land program.*—Of the revenues received from the use of submarginal lands, 25 percent is paid to the counties in which such land is situated, for school and road purposes (7 U. S. C. 1012).

5. *Payments to school funds, Arizona and New Mexico.*—The States of Arizona and New Mexico are paid a share of the national-forest receipts for school purposes (36 Stat. 562, 573).

6. *Payments to States and Territories.*—With minor exceptions, 25 percent of the money received from the national forests is paid to the States and Territories for public schools and roads of the county in which such forests are situated (16 U. S. C. 500).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	4	3	3
Average number of all employees.....	4	3	3
Number of employees at end of year.....	3	3	3
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,074
Average grade.....	GS-6.6	GS-6.6	GS-6.7

PERMANENT AUTHORIZATIONS—Continued

FOREST SERVICE—Continued

Miscellaneous Permanent Appropriations, Forest Service—Continued

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
01 Personal services:			
Permanent positions.....	\$12, 114	\$10, 975	\$10, 975
Positions other than permanent.....	51		
Regular pay above 52-week base.....	47		42
Payment above basic rates.....	363		
Total personal services.....	12, 575	10, 975	11, 017
04 Communication services.....	2, 900	2, 500	800
05 Rents and utility services.....	104	100	100
06 Printing and reproduction.....	12, 356	7, 937	1, 283
07 Other contractual services.....	195	150	100
Services performed by other agencies.....	1, 713	1, 000	900
Supplies and materials.....	1, 325	1, 295	125
09 Equipment.....	145	100	
10 Lands and structures.....	107	300	
11 Grants, subsidies, and contributions.....	20, 002, 309	29, 238, 600	30, 424, 400
Contribution to retirement fund.....			675
15 Taxes and assessments.....	1		
Total obligations.....	20, 033, 730	29, 262, 957	30, 439, 400

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriations:			
"Forest fire prevention, Forest Service".....	\$19, 955	\$15, 000	\$15, 000
"Payment to Minnesota (Cook, Lake, and Saint Louis Counties) from the national forests fund".....	46, 234	46, 500	50, 000
"Payments due counties, submarginal land program, Farm Tenant Act".....	460, 619	575, 000	625, 000
"Payments to school funds, Arizona and New Mexico, act of June 20, 1910 (receipt limitation)" (indefinite appropriation, general account).....	114, 301	129, 400	129, 400
"Payments to States and Territories from the national forests fund".....	19, 381, 155	28, 487, 700	29, 620, 000
Total appropriations.....	20, 022, 264	29, 253, 600	30, 439, 400
Balance brought forward:			
Unobligated.....	20, 823	9, 357	
Obligated.....	21, 552	9, 903	7, 860
Total budget authorizations available.....	20, 064, 639	29, 272, 860	30, 447, 260
EXPENDITURES AND BALANCES			
Expenditures (out of current authorizations):			
"Forest fire prevention, Forest Service".....	11, 033	10, 131	10, 000
"Payment to Minnesota (Cook, Lake, and Saint Louis Counties) from the national forests fund".....	46, 234	46, 500	50, 000
"Payments due counties, submarginal land program, Farm Tenant Act".....	459, 795	575, 000	625, 000
"Payments to school funds, Arizona and New Mexico, act of June 20, 1910 (receipt limitation)" (indefinite appropriation, general account).....	114, 301	129, 400	129, 400
"Payments to States and Territories from the national forests fund".....	19, 381, 155	28, 487, 700	29, 620, 000
Expenditures (out of prior authorizations):			
"Development and improvement of a ranger dwelling, Tonto National Forest.....	14, 855	645	
"Forest fire prevention, Forest Service".....	17, 557	14, 800	7, 400
"Payments due counties, submarginal land program, Farm Tenant Act".....		824	
"Payments to States and Territories from the national forests fund".....	449		
Total expenditures.....	20, 045, 379	29, 265, 000	30, 441, 800
Balance carried forward:			
Unobligated.....	9, 357		
Obligated.....	9, 903	7, 860	5, 460
Total expenditures and balances.....	20, 064, 639	29, 272, 860	30, 447, 260

AGRICULTURAL MARKETING SERVICE

Perishable Agricultural Commodities Act Fund, Department of Agriculture

Appropriated (estimate) 1957, \$546,000 Estimate 1958, \$675,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Direct obligations: Licensing dealers and handling complaints.....	\$493, 678	\$560, 000	\$684, 000
Reimbursable obligations: Licensing dealers and handling complaints.....			25, 400
Total obligations.....	493, 678	560, 000	709, 400
Financing:			
Unobligated balance brought forward.....	-359, 442	-304, 401	-290, 401
Advances from "Marketing research and service, Agricultural Marketing Service" (7 U. S. C. 499s).....			-25, 400
Unobligated balance carried forward.....	304, 401	290, 401	281, 401
Appropriation.....	438, 637	546, 000	675, 000

PROGRAM AND PERFORMANCE

License fees are deposited in this special fund and are used to meet the cost of administering the Perishable Agricultural Commodities, Produce Agency, and Export Apple and Pear Acts (7 U. S. C. 499a-499s, 491-497, 581-589).

The acts assure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (1) informal settlements agreeable to both parties, (2) formal decisions involving payments of reparation awards between parties, and (3) suspension or revocation of license and/or publication of the facts. Approximately 26,850 licenses are now in effect, and this number is not expected to increase substantially from now on. This is due to the continuing trend in all segments of the fresh fruit and vegetable industry toward consolidation of small independent operators into large chain organizations. The increase in 1958 is due principally to the recent amendments to the Perishable Agricultural Commodities Act.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	107	100	112
Full-time equivalent of all other positions.....		2	2
Average number of all employees.....	79	88	107
Number of employees at end of year.....	81	95	107
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5, 294	\$5, 373	\$5, 373
Average grade.....	GS-7.2	GS-7.3	GS-7.3
Ungraded positions: Average salary.....	\$3, 836	\$3, 703	\$3, 705
Personal service obligations:			
Permanent positions.....	\$401, 434	\$437, 495	\$528, 245
Positions other than permanent.....	980	5, 905	5, 905
Regular pay above 52-week base.....	1, 545		1, 970

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
Personal service obligations—Continued			
Payment above basic rates.....	\$131		
Total personal service obligations.....	404,090	\$443,400	\$536,120
Direct obligations:			
01 Personal services.....	404,090	443,400	536,120
02 Travel.....	28,886	44,000	65,000
03 Transportation of things.....	1,888	2,000	3,500
04 Communication services.....	19,252	25,600	27,000
05 Rents and utility services.....	3,373	3,700	3,500
06 Printing and reproduction.....	7,758	19,100	20,000
07 Other contractual services.....	11,219	7,670	8,000
Services performed by other agencies.....	608	5	5
08 Supplies and materials.....	9,655	9,200	12,930
09 Equipment.....	6,327	4,400	7,000
13 Refunds, awards, and indemnities.....	150	400	400
15 Taxes and assessments.....	472	525	545
Total direct obligations.....	493,678	560,000	684,000
Reimbursable obligations:			
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			25,400
Total obligations.....	493,678	560,000	709,400

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$438,637	\$546,000	\$675,000
Balance brought forward:			
Unobligated.....	359,442	304,401	290,401
Obligated.....	31,559	30,637	59,037
Total budget authorizations available.....	829,638	881,038	1,024,438
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	494,600	196,562	230,162
Out of prior authorizations.....		335,038	349,438
Total expenditures.....	494,600	531,600	579,600
Balance carried forward:			
Unobligated.....	304,401	290,401	281,401
Obligated.....	30,637	59,037	163,437
Total expenditures and balances.....	829,638	881,038	1,024,438

Removal of Surplus Agricultural Commodities

(General account)

Appropriated (estimate) 1957, \$199,976,003

Estimate 1958, \$223,500,000

Appropriated (adjusted) 1957, \$195,616,888

Estimate (adjusted) 1958, \$218,900,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Direct purchase.....	\$206,743,042	\$213,128,000	\$213,128,000
2. Encouragement of exportation.....	4,110,989	10,047,000	10,047,000
3. Diversion to byproducts and new uses.....	3,435,891	12,280,000	12,280,000
4. Surplus removal operating expenses.....	1,877,280	3,150,000	3,063,000
5. Marketing agreements and orders.....	1,377,840	1,500,000	1,837,000
6. Foreign market promotion.....	1,356,812	1,707,300	1,871,000
7. Import controls.....	202,273	210,500	223,000
Total obligations.....	219,104,127	242,022,800	242,449,000
Financing:			
Comparative transfers to other accounts.....	2,049		
Unobligated balance brought forward.....	-300,000,000	-244,701,053	-198,295,141
Recovery of prior year obligations.....	-1,359,758		
Unobligated balance carried forward.....	244,701,053	198,295,141	174,746,141
Appropriation (adjusted).....	162,447,471	195,616,888	218,900,000

PROGRAM AND PERFORMANCE

Under section 32 of the act of August 24, 1935, as amended (7 U. S. C. 612c), an amount equal to 30 percent of customs receipts during each calendar year and unused balances up to \$300 million are available for expanding

domestic and foreign market outlets for farm commodities. These funds are also authorized for the administration of marketing agreements and orders, and the section 22 import-control programs. The basic legislation provides that not more than 25 percent of funds available shall be devoted to any one commodity or product thereof. It also provides that section 32 funds shall be devoted principally to perishable agricultural commodities other than those receiving price support under title II of the Agricultural Act of 1949, as amended. These title II commodities are: tung nuts, honey, milk, butterfat, and the products of milk and butterfat.

An amount equal to 30 percent of receipts collected on fishery products is transferred to the Department of the Interior to encourage the distribution of fishery products and for other purposes. Public Law 540, approved May 28, 1956, authorizes the appropriation of an additional sum of \$500 million annually to further carry out the purposes of section 32 of which not to exceed 50 percent of such funds may be devoted to any one commodity.

Commodity program costs incident to the removal of surplus agricultural commodities from the normal channels of trade include:

(1) *Direct purchases* which are donated to the school lunch program, charitable institutions serving needy persons and persons certified by welfare agencies as eligible for relief. (2) *Export payments* which enable exporters to purchase surplus commodities on the domestic market and sell them on the world market at competitive world prices. (3) *Diversion payments* which enable processors to purchase surplus commodities on the domestic market, divert them to byproducts and new uses, and sell them at prices comparable to competing products, thus creating new markets for surplus commodities.

The use of section 32 program funds is contingent upon economic conditions, the type of program being dependent upon the action which will best solve the particular need at the time. The estimates for both 1957 and 1958 are based on the situation as now foreseen. If troublesome surpluses not now foreseen should develop, steps would be taken to use additional funds for their removal or diversion as conditions might warrant. During the past 2 years assistance under these programs was given to the following commodity groups:

(In millions)

	1955	1956
Cottonseed oils.....	\$13.3	\$8.3
Dairy products.....	.4	78.5
Fruits.....	4.6	4.3
Grain.....		8.3
Livestock products.....	.4	101.3
Tree nuts.....	.1	—
Vegetables.....	9.0	9.5
Miscellaneous.....	.6	4.1
Total.....	28.4	214.3

(4) *Surplus removal operating expenses.*—These expenses are mainly in connection with purchasing, exporting, and diverting surplus commodities and in distributing section 32 and Commodity Credit Corporation commodities to eligible outlets. Approximately 791.3 million pounds of these commodities were distributed in 1956. Supervisory assistance is furnished local and State groups to encourage the preservation of surpluses for year-round use. In cooperation with the food trade, press and radio, greater consumption of abundant foods is encouraged. In 1956, the monthly plentiful foods list contained an average of 12 foods, and 6 National and 28 area, State, and local drives were conducted. (5) *Marketing agreements and orders.*—These are entered into or issued by the Secretary and are put into effect upon request of producers or handlers after hearings, investigations, and approval by

PERMANENT AUTHORIZATIONS—Continued

AGRICULTURAL MARKETING SERVICE—Continued

Removal of Surplus Agricultural Commodities—Continued

producers (and handlers in case of marketing agreements). They serve to stabilize prices and benefit producers and consumers by establishing and maintaining orderly marketing conditions. Administration at the local level is financed by assessments upon handlers. On June 30, 1956, 66 orders were in effect for milk, and 31 covering tree fruits, tree nuts, and vegetables. (6) *Foreign market promotion.*—Maintenance and expansion of foreign markets for United States surplus agricultural products are promoted by (a) obtaining and analyzing information on foreign-market requirements and making such information available to farm and trade groups; (b) developing market programs for use by producers, exporters, and Government officials to maintain and expand the market abroad of United States farm products; (c) assisting domestic trade representatives in negotiations with foreign government officials, importers, and consumers, and bringing together American exporters and foreign importers under conditions favorable to trade; (d) developing agreements with foreign countries for sales of United States agricultural commodities under title I of Public Law 480, and followup on the shipments of those commodities; and (e) preparing and supervising the operation of, or operating directly, market development projects to further expand foreign markets for American agricultural products with foreign currencies generated by sales under title I of Public Law 480. (7) *Import controls.*—Importation of articles, which interfere with programs carried out by the Department of Agriculture, is investigated and is developed in accordance with section 22 of the Agricultural Adjustment Act, as amended. During 1956, preliminary investigations were conducted on 20 commodities and 6 recommendations were submitted to the President or the Tariff Commission. Import controls for dairy products are administered. A total of 1,995 licenses for imports of cheese were issued and 106 for manufactured dairy products other than cheese.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
AGRICULTURAL MARKETING SERVICE			
Total number of permanent positions.....	493	536	535
Full-time equivalent of all other positions.....	1	5	5
Average number of all employees.....	375	517	516
Number of employees at end of year.....	412	520	519
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,294	\$5,373	\$5,373
Average grade.....	GS-7.2	GS-7.3	GS-7.5
Ungraded positions: Average salary.....	\$3,836	\$3,703	\$3,703
01 Personal services:			
Permanent positions.....	\$2,263,436	\$3,152,000	\$3,147,000
Positions other than permanent.....	2,068	13,000	13,000
Regular pay above 52-week base.....	9,884	10,000	10,000
Payment above basic rates.....	4,137	10,000	10,000
Total personal services.....	2,279,525	3,175,000	3,180,000
02 Travel.....	216,962	300,000	300,000
03 Transportation of things.....	4,918	10,000	10,000
04 Communication services.....	75,050	80,000	80,000
05 Rents and utility services.....	22,472	35,000	38,000
06 Printing and reproduction.....	32,287	55,000	60,000
07 Other contractual services.....	62,635	80,000	85,000
08 Supplies and materials.....	30,352	40,000	40,000
09 Equipment.....	38,231	40,000	40,000
11 Grants, subsidies, and contributions.....	2,912,825	13,327,000	13,327,000
Contribution to retirement fund.....			192,000
13 Refunds, awards, and indemnities.....	3,020	7,000	7,000
15 Taxes and assessments.....	1,446	3,000	3,000
Total, Agricultural Marketing Service.....	5,679,723	17,152,000	17,362,000

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
ALLOCATION TO COMMODITY STABILIZATION SERVICE			
Total number of permanent positions.....	93	150	150
Average number of all employees.....	73	145	145
Number of employees at end of year.....	93	150	150
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,524	\$4,578	\$4,602
Average grade.....	GS-5.4	GS-5.4	GS-5.5
01 Personal services:			
Permanent positions.....	\$342,508	\$645,700	\$643,200
Regular pay above 52-week base.....	1,306	2,500	2,500
Payment above basic rates.....	7,964	16,700	16,700
Total personal services.....	351,778	662,400	662,400
02 Travel.....	6,287	16,900	16,900
03 Transportation of things.....	1,607	3,900	3,900
04 Communication services.....	23,194	28,000	28,000
05 Rents and utility services.....	17,074	22,600	24,100
06 Printing and reproduction.....	6,625	12,300	12,300
07 Other contractual services.....	2,317	6,700	6,700
Advanced to—			
"Administrative expenses, sec. 392 Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1392.....	31,000	16,000	16,000
"Local administration, sec. 388, Agricultural Adjustment Act of 1938," pursuant to 7 U. S. C. 1388.....	40,000	40,000	40,000
Services performed by other agencies.....	382	1,100	1,100
08 Supplies and materials.....	4,266	7,600	7,600
09 Equipment.....	3,143	6,200	6,200
11 Grants, subsidies, and contributions.....	211,377,097	222,128,000	222,128,000
Contribution to retirement fund.....			38,500
13 Refunds, awards, and indemnities.....	211	600	600
15 Taxes and assessments.....	338	700	700
Total, Commodity Stabilization Service.....	211,865,319	222,953,000	222,993,000
ALLOTMENT TO FOREIGN AGRICULTURAL SERVICE			
Total number of permanent positions.....	234	267	275
Full-time equivalent of all other positions.....	6	7	7
Average number of all employees.....	198	237	248
Number of employees at end of year.....	218	249	256
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,403	\$6,247	\$6,218
Average grade.....	GS-8.4	GS-8.3	GS-8.2
01 Personal services:			
Permanent positions.....	\$1,233,302	\$1,436,000	\$1,488,000
Positions other than permanent.....	33,493	34,000	34,000
Regular pay above 52-week base.....	3,089	4,000	4,000
Payment above basic rates.....	558		
Other payments for personal services.....	7,741		
Total personal services.....	1,278,183	1,470,000	1,526,000
02 Travel.....	107,354	181,500	191,500
03 Transportation of things.....	839	2,000	2,200
04 Communication services.....	28,963	38,000	38,200
06 Printing and reproduction.....	32,531	45,000	45,700
07 Other contractual services.....	11,284	81,000	96,000
Services performed by other agencies.....	56,783	64,000	64,000
08 Supplies and materials.....	9,225	11,000	12,000
09 Equipment.....	32,926	24,000	25,900
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			91,200
15 Taxes and assessments.....	997	1,300	1,300
Total, Foreign Agricultural Service.....	1,559,085	1,917,800	2,094,000
Total obligations.....	219,104,127	242,022,800	242,449,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$166,807,174	\$199,976,003	\$223,500,000
Transferred to—			
"Marketing research and service, Agricultural Marketing Service" (69 Stat. 240, 5 U. S. C. 572).....	—38,300		
"Promote and develop fishery products and research pertaining to American fisheries, Fish and Wildlife Service," Department of the Interior (15 U. S. C. 713c-3, as amended by the act of Aug. 8, 1956).....	—4,321,403	—4,359,115	—4,600,000
Adjusted appropriation.....	162,447,471	195,616,888	218,900,000
Balance brought forward:			
Unobligated.....	300,000,000	244,701,053	198,295,141
Obligated.....	10,176,393	48,853,177	45,876,063

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE—CON.			
Restored from certified claims account.....		\$86	
Total budget authorizations available.....	\$472, 623, 864	489, 171, 204	\$463, 071, 204
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	179, 069, 634	{ 245, 000, 000	\$28, 796
Out of prior authorizations.....			244, 171, 204
Total expenditures.....	179, 069, 634	245, 000, 000	245, 000, 000
Balance carried forward:			
Unobligated.....	244, 701, 053	198, 295, 141	174, 746, 141
Obligated.....	48, 853, 177	45, 876, 063	43, 325, 063
Total expenditures and balances.....	472, 623, 864	489, 171, 204	463, 071, 204

COMMODITY STABILIZATION SERVICE

National Wool Act, Commodity Stabilization Service
(General account)

Appropriation 1957, \$2,020,975 Estimate 1958, \$35,000,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Reimbursement to Commodity Credit Corporation for expenditures under National Wool Act (total obligations).....	\$187, 684	\$2, 020, 975	\$35, 000, 000
Financing:			
Appropriation.....	187, 684	2, 020, 975	35, 000, 000

PROGRAM AND PERFORMANCE

Under the provisions of the National Wool Act of 1954, incentive payments are being used to encourage the annual domestic production of approximately 300 million pounds of shorn wool. The program to support the prices of wool and mohair is mandatory. Incentive payments are made to eligible producers on a percentage basis, reflecting the amount required to bring the national average received by all producers up to the announced incentive level. The incentive level for wool shall not exceed 110 percent of parity.

In the fiscal year 1957 it is estimated that payments totaling \$60 million will be made under the 1955 marketing year program. This consists of estimated payments of \$49,500,000 on approximately 257.8 million pounds of shorn wool, at an average rate of 19.2 cents per pound, and

\$10,500,000 on lambs and yearlings. During the fiscal year 1958 it is estimated that payments will total \$55 million, consisting of \$46,400,000 for 232 million pounds of shorn wool at an average of 20 cents per pound, and \$8,600,000 for payments on unshorn lambs.

Total payments made under the National Wool Act cannot at any time exceed an amount equal to 70 percent of the accumulated totals, as of the same date, of the gross receipts from specific duties collected on and after January 1, 1953, on wool and woollen products subject to duty under schedule 11 of the Tariff Act of 1930, as amended. Actual and estimated payments compared with this limitation are as follows:

	1956	1957	1958
Cumulative—70 percent of customs receipts on wool and wool products.....	\$108, 477, 826	\$143, 477, 826	\$178, 477, 826
Cumulative—incentive payments.....		60, 000, 000	115, 000, 000
Balance of limitation available.....	108, 477, 826	83, 477, 826	63, 477, 826

Funds of the Commodity Credit Corporation are used to carry on the wool incentive program. A permanent authorization is provided to reimburse the Corporation, but such appropriations are limited to 70 percent of duties collected on wool during the preceding calendar year. Estimated costs and reimbursements to Commodity Credit Corporation during the years 1956, 1957, and 1958 are indicated in the following table:

	1956	1957	1958
Due at beginning of year.....	\$187, 684	\$2, 020, 975	\$64, 124, 000
Costs for year:			
Program.....	2, 006, 032	62, 575, 000	57, 685, 000
Interest.....	14, 943	1, 549, 000	2, 751, 000
Total.....	2, 020, 975	64, 124, 000	60, 436, 000
Total due.....	2, 208, 659	66, 144, 975	124, 560, 000
Reimbursement to Commodity Credit Corporation.....	187, 684	2, 020, 975	35, 000, 000
Due Commodity Credit Corporation at end of year.....	2, 020, 975	64, 124, 000	89, 560, 000

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
11 Grants, subsidies, and contributions (reimbursement to Commodity Credit Corporation).....	\$187, 684	\$2, 020, 975	\$35, 000, 000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$187, 684	\$2, 020, 975	\$35, 000, 000
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....	187, 684	2, 020, 975	35, 000, 000

REVOLVING AND MANAGEMENT FUNDS

PUBLIC ENTERPRISE FUNDS

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year [1957] 1958 for such corporation or agency, except as hereinafter provided:

400000—57—25

COMMODITY CREDIT CORPORATION

RESTORATION OF CAPITAL IMPAIRMENT

Restoration of Capital Impairment, Commodity Credit Corporation

To restore the capital impairment of the Commodity Credit Corporation determined by the appraisal of June 30, [1955] 1956, pursuant to section 1 of the Act of March 8, 1938, as amended (15 U. S. C. 713a-1), [\$929,287,178] \$1,239,788,671. (Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Appropriated 1957, \$929,287,178 Estimate 1958, \$1,239,788,671

REVOLVING AND MANAGEMENT FUNDS—Continued

PUBLIC ENTERPRISE FUNDS—Continued

COMMODITY CREDIT CORPORATION—Continued

Commodity Credit Corporation Fund

PROGRAM AND FINANCING

Program	1956 actual	1957 estimate	1958 estimate
Public enterprise transactions:			
Price support program (Commodity Credit Corporation nonrecourse loan, purchase, and payment programs):			
Direct loans made.....	\$501,514,803	\$504,629,418	\$420,680,000
Loans made by lending agencies (guaranteed by Commodity Credit Corporation).....	2,514,654,245	2,403,000,000	2,101,000,000
Total loans on commodities.....	3,016,169,048	2,907,629,418	2,527,680,000
Purchases of commodities and other costs.....	1,461,413,557	1,489,786,085	1,280,803,800
National Wool Act, incentive payments and other costs.....	62,070,975	59,124,000	60,436,000
School milk program.....	48,475,952	75,000,000	75,000,000
Other obligations.....	3,775,825	3,665,000	2,968,000
Total price support program.....	4,591,855,357	4,535,704,503	3,946,887,800
Supply and foreign purchase program.....	18,026,305	4,023,341	3,854,130
Storage facilities program:			
Loans on storage facilities and equipment:			
Direct loans made.....	5,910,203	8,190,000	8,112,000
Loans made by lending agencies (guaranteed by Commodity Credit Corporation).....	1,630,484	2,310,000	2,288,000
Total loans on storage facilities and equipment.....	7,540,687	10,500,000	10,400,000
Purchases of storage facilities and equipment and other costs.....	28,742,127	32,806,588	34,194,000
Total storage facilities program.....	36,282,814	43,306,588	44,594,000
Commodity export program:			
Purchases of commodities and other costs.....		60,000	100,000
Cotton products export payments.....		20,000,000	20,000,000
Total commodity export program.....		20,060,000	20,100,000
Subsidy program (liquidation).....	1,075		
Expense:			
Administrative:			
Subject to limitation.....	28,483,884	33,250,000	37,925,000
Reimbursable.....	5,981,528	6,123,429	5,893,392
Purchases of administrative equipment.....	392,272	500,000	500,000
Interest—Treasury.....	180,034,364	365,000,000	395,000,000
Nonadministrative.....	9,210,272	12,506,696	12,409,093
Total expense.....	224,102,320	417,380,125	451,727,485
Other obligations.....		4,884,118	
Total public enterprise transactions.....	4,870,267,871	5,024,858,675	4,467,163,415
Intragovernmental transactions (special activities):			
Loan to Secretary of Agriculture for agricultural conservation purposes.....	43,450,000	43,450,000	43,450,000
Eradication of foot-and-mouth disease.....	1,824,725	1,555,844	1,325,400
Eradication of brucellosis in cattle.....	16,754,582	20,517,693	20,703,000
Cotton classing and tobacco grading.....	184,282	153,819	155,300
Transfer of hay and pasture seed to Federal land-administering agencies.....	34,286		
International Wheat Agreement costs.....	97,746,492	100,465,302	113,053,000
Agricultural Trade Development and Assistance Act:			
Title I—Sales for foreign currencies.....	712,067,092	1,028,149,364	944,310,195
Title II—Commodity grants for emergency assistance to friendly peoples.....	93,584,999	127,366,982	44,644,000
Soil bank program:			
Program costs.....		1,131,607,747	1,159,426,000
Obligations other than liabilities—commitments.....	4,000,000		
Interest expense.....	2,901	20,485,619	40,000,000
Water fowl feed program.....		26,070	28,540
Total intragovernmental transactions.....	969,649,359	2,473,778,440	2,367,095,435
Total program (obligations).....	5,839,917,230	7,498,637,115	6,834,258,850
Financing			
Amounts becoming available:			
New authorizations:			
Appropriation for restoration of capital impairment.....	1,634,659	929,287,178	1,239,788,671
To borrow from Treasury.....	2,000,000,000	2,500,000,000	
Transfer of authorization to finance soil bank program (see p. 365).....	-3,758,533	-1,228,952,947	

PROGRAM AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Financing—Continued			
Amounts becoming available—Continued			
Receipts from operations:			
Public enterprise transactions:			
Price support program (Commodity Credit Corporation nonrecourse loan, purchase, and payment programs):			
Repayments of loans:			
To Commodity Credit Corporation.....	\$453,407,248	\$858,832,660	\$738,825,250
To lending agencies.....	84,128,237	281,000,000	212,000,000
Total repayments of loans.....	537,535,485	1,139,832,660	950,825,250
Sales of commodities ¹	1,628,538,524	2,658,311,782	2,111,326,668
National Wool Act reimbursement.....	187,684	2,020,975	35,000,000
Recovery of prior year obligations.....	202,212,498	244,167,671	256,328,000
Other.....	8,946,335	19,341,250	21,780,000
Total price support program.....	2,377,420,526	4,063,674,338	3,375,259,918
Supply and foreign purchase program.....	24,951,362	15,402,229	3,850,630
Storage facilities program:			
Repayments of loans:			
To Commodity Credit Corporation.....	10,534,546	11,171,859	11,895,000
To lending agencies.....	2,644,770	2,720,040	2,805,000
Total repayments of loans.....	13,179,316	13,891,899	14,700,000
Other.....	-5,347		
Total storage facilities program.....	13,173,969	13,891,899	14,700,000
Commodity export program.....	-69,576,352	-58,800,000	-49,700,000
Interest income, administrative expense reimbursements and other.....	28,154,657	88,543,429	119,313,392
Recovery of prior year obligations.....	1,125,666	198,972	2,427,000
Total public enterprise transactions.....	2,375,249,828	4,122,910,867	3,465,850,940
Intragovernmental transactions (special activities):			
Repayment of loan to Secretary of Agriculture for conservation purposes.....	36,950,000	21,950,000	35,450,000
Reimbursements for prior years' costs:			
Eradication of foot-and-mouth disease.....	5,788,897	1,267,785	1,853,450
Eradication of brucellosis in cattle.....	841,303	12,059,756	16,728,210
Cotton classing and tobacco grading.....	75,000	466,926	80,449
Transfer of hay and pasture seed to Federal land-administering agencies.....		183,945	
International Wheat Agreement.....	57,378,551	101,130,155	92,930,611
Commodity grants for emergency assistance to friendly peoples:			
Pakistan: Wheat.....	69,322,990		
Public Law 216 (67 Stat. 476).....	9,537,154		
Public Law 480 (68 Stat. 456).....		88,628,927	94,483,518
Sales for foreign currencies, Public Law 480 (68 Stat. 455):			
From appropriated funds.....		67,477,228	637,000,000
By sale of foreign currencies for dollars.....	9,533,492	31,259,985	30,000,000
Emergency feed program.....	41,915,799		
Soil bank program:			
Recovery of prior year obligations.....		4,000,000	
Current program costs.....		1,131,007,747	1,159,426,000
Total intragovernmental transactions.....	231,343,186	1,460,032,454	2,067,952,238
Total amounts becoming available.....	4,604,469,140	7,783,277,552	6,773,591,849
Unobligated balance brought forward (authorization to expend from debt receipts).....	1,071,457,359	-163,990,731	120,649,706
Total amounts available.....	5,675,926,499	7,619,286,821	6,894,241,555
Balance carried forward (authorization to expend from debt receipts).....	163,990,731	-120,649,706	-59,982,705
Financing applied to program.....	5,839,917,230	7,498,637,115	6,834,258,850

¹ Sales under the price-support program include sales of agricultural commodities under barter contracts and sales of strategic materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

² Negative figures result from adjustment to sales to eliminate the market value of agricultural commodities transferred from the price-support program.

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feeds, and

fibers, for the purpose of stabilizing, supporting, and protecting farm income and prices; assisting in the maintenance of balanced and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.

The Corporation has an authorized capital stock of \$100 million held by the United States, and authority to borrow up to \$14.5 billion.

Programs.—The budget is based on five types of programs: (1) price support, (2) supply and foreign purchase, (3) storage facilities, (4) commodity export, and (5) special activities.

Obligations and expenditures for these programs include primarily loans, purchases, purchase agreements, carrying charges, incentive payments, operating and interest expenses, and advances and current obligations incident to special activities as authorized by specific legislation.

Budget assumptions.—The Corporation's budget estimates for 1957 and 1958 are based on the general assumptions (a) that employment, production, and national income will rise moderately both in 1957 and 1958 from the 1956 level; (b) that prices will change little, on the average, from the present level; (c) that developments in international relations will not be such as to affect Government civilian programs generally; (d) that exports of agricultural products will be higher than at present; (e) that acreage allotments and marketing quotas will be in effect for the 1957 crops of peanuts, rice, wheat, cotton, and certain kinds of tobacco, and acreage allotments will be in effect for the 1957 crop of corn, in accordance with existing legislation; (f) that substantial acreage reductions will be made in the 1957 crops of the basic commodities as a result of the soil bank program; (g) that yields for the 1957 crops will be as high as those for the 1955 crops or indicated for the 1956 crops; and (h) that the percentage of estimated production of the 1956 and 1957 crops placed under price support will be as high as the percentage of the production of the 1955 crops or indicated percentage of 1956 crops placed under price support. Wheat and corn are exceptions to the latter assumption. Recent changes in the Corporation's wheat export program, providing for the sale of wheat for export from free markets rather than from Commodity Credit Corporation stocks, are expected to result in lower proportions of that commodity being placed under support. In the case of corn, noncompliers under the acreage allotment program were eligible for price support on the 1956 crop, but will not be eligible for 1957 crop support. Therefore, the percentage of the crop going under price support used in these estimates was the previous record high, that for 1948.

In considering these estimates, it should be recognized that it is difficult to estimate requirements for the year ending June 30, 1958. They are dependent upon weather conditions, volume of agricultural production in this country and abroad, economic conditions generally, food needs in occupied areas and other foreign countries, availability of dollar exchange, and other complex and unpredictable factors.

Price support.—Price-support operations are carried out under the Corporation's charter powers, in conformity with the Agricultural Act of 1949 (63 Stat. 1051), the Agricultural Act of 1954 (68 Stat. 897), which includes the National Wool Act of 1954, and the Agricultural Act of 1956 (70 Stat. 188), and with respect to certain types of tobacco, in conformity with the act of July 28, 1945 (59 Stat. 506). Under the Agricultural Act of 1949, price

support is mandatory for six basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and specific nonbasic commodities, namely, tung nuts, honey, milk, butterfat, and the products of milk and butterfat. Price support for wool and mohair is mandatory under the National Wool Act of 1954. Price support for other nonbasic agricultural commodities is discretionary. This program may also include operations to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities for the purpose of stabilizing prices at levels not in excess of permissible price-support levels.

Price support is made available through loans, purchase agreements, purchases, and other operations, and, in the case of wool and mohair, through incentive payments based on marketings. The producer's commodities serve as collateral for price-support loans. With limited exceptions, price-support loans are "nonrecourse" and the Corporation looks only to the pledged or mortgaged collateral for satisfaction of the loan. Purchase agreements generally are available during the same period that loans are available. By signing a purchase agreement, a producer receives an option to sell to the Corporation any quantity of the commodity which he may elect within the maximum specified in the agreement.

In all its price-support operations the Corporation utilizes normal trade facilities to the maximum extent practicable. In its lending activities the Corporation uses local banks, cooperatives, and other private lending agencies. Commercial storage facilities are used to a great extent in the storage of loan collateral and in the storage of stocks acquired by the Corporation.

Disposition of commodities acquired by the Corporation in its price-support operations is made in compliance with sections 202, 407, and 416 of the Agricultural Act of 1949, and other applicable legislation, particularly the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454), title I of the Agricultural Act of 1954 (68 Stat. 897), and title II of the Agricultural Act of 1956. To the extent that price-support commodities are disposed of through commodity export program and special activities, such as sales for foreign currencies, redemptions of acreage-reserve certificates under the soil-bank program by furnishing Commodity Credit Corporation commodities, and similar operations, such disposals are for accounting purposes treated as price-support program disposals.

DATA ON PRICE-SUPPORT PROGRAM

[In millions]

	1956 actual	1957 estimate	1958 estimate
Loans made.....	\$3,016	\$2,908	\$2,528
Loans repaid.....	538	1,140	951
Loan collateral forfeited.....	2,291	2,010	1,581
Loans outstanding June 30.....	2,285	2,043	2,039
Acquisitions.....	3,723	3,540	3,027
Cost of goods sold.....	2,316	3,677	3,113
Donations.....	406	300	239
Inventory as of June 30.....	5,972	5,536	5,210
Investment in price support as of June 30.....	8,257	7,579	7,249
Net expenditures.....	2,552	413	682
Realized losses.....	975	1,098	1,001

Supply and foreign purchase program.—This program is carried out under the authority contained in the Corporation's charter, particularly sections 5 (b) and (c) thereof. The Corporation procures foods, agricultural commodities, their products, and related materials to supply the requirements of Government agencies, foreign governments, and relief and rehabilitation agencies and to meet domestic requirements. Foods, agricultural commodities, and their products are procured or aid is given in their procurement to facilitate distribution or to meet anticipated requirements during periods of short supply. The Corporation

REVOLVING AND MANAGEMENT FUNDS—Continued

PUBLIC ENTERPRISE FUNDS—Continued

COMMODITY CREDIT CORPORATION—Continued

Commodity Credit Corporation Fund—Continued

may also, through purchases, loans, sales or other means, make available materials and facilities required in connection with the production and marketing of agricultural commodities.

Operations involving procurement for other Government agencies are conducted in accordance with procedures and policies reasonably calculated to assure compliance with section 4 of the act of July 16, 1943 (15 U. S. C. 713a-9), which requires that the Corporation be fully reimbursed for services performed, losses sustained, operating costs incurred, or commodities purchased or delivered to or on behalf of any other Government agency from the appropriate funds of such agency. Operations not subject to section 4 of such act may involve losses if such are necessary to the accomplishment of the objectives of the particular operation.

The main activities now carried on are procurement of commodities for the International Cooperation Administration, and initial financing of certain programs authorized under the Defense Production Act to assure adequate supplies of strategic and critical materials.

Storage facilities program.—This program is carried out under the authority contained in the Corporation's charter, particularly sections 4 (b), 4 (m), and 5 (a). The Corporation (a) purchases and maintains granaries and equipment for care and storage of grain owned or controlled by the Corporation; (b) makes loans for the construction or expansion of farm storage facilities; (c) provides storage-use guaranties to encourage the construction of commercial storage facilities; and (d) undertakes other operations necessary to provide storage adequate to carry out the Corporation's programs.

Commodity export program.—The Corporation promotes the export of agricultural commodities and products through sales, barter, payments, and other operations. Such commodities and products may be those held in private trade channels as well as those in Commodity Credit Corporation's inventory. This program is carried out under the authority contained in the Corporation's charter, particularly sections 5 (d) and 5 (f), and in accordance with specific statutes where applicable, such as sections 407 and 416 of the Agricultural Act of 1949, the International Wheat Agreement Act of 1949, the Agricultural Trade Development and Assistance Act of 1954, title I of the Agricultural Act of 1954 and title II of the Agricultural Act of 1956. In general, transactions involving foreign currencies are conducted pursuant to the Agricultural Trade Development and Assistance Act of 1954. However, other such transactions may be conducted under the charter authority.

Current obligations under the International Wheat Agreement and title I of the Agricultural Trade Development and Assistance Act of 1954, which operations are described in the estimates under the heading "Special Commodity Disposal Programs, Commodity Stabilization Service" are paid by the Corporation subject to reimbursement from appropriations authorized for such purpose. Pending such reimbursements the net costs are reflected in the records of the Corporation as accounts receivable.

Currently, in addition to exports under the International Wheat Agreement, Commodity Credit Corporation wheat

is available for export trade under barter programs of Commodity Credit Corporation at competitive world prices and is also made available to exporters in payment of the price differential between the prevailing world export sales price and the domestic market price which is earned on exports of free-market wheat outside the International Wheat Agreement and under this agreement. Cash payments are made on all exports of wheat flour either under the International Wheat Agreement or outside the agreement.

Effective August 1, 1956, the Corporation inaugurated a cotton products export program designed to protect the competitive position of the domestic cotton industry in relation to sales of cotton products manufactured abroad from American cotton purchased at export prices. Equalization payments, based on the raw cotton content in the products exported, are made to exporters on cotton products of upland cotton grown and wholly processed in the United States.

Expenses.—There are a number of expenses which are not allocated to a specific program. These include interest on the capital stock of the Corporation and on borrowings from Treasury, administrative expenses, and other miscellaneous costs, including expenses of the agricultural stabilization and conservation county committees, lending agencies, and Federal Reserve banks in connection with the Corporation's programs.

Administrative expenses are for the operating staff, including the services of employees of the Commodity Stabilization Service engaged in Commodity Credit Corporation activities, services performed by other agencies of the Department, costs of audit, and payments to the General Services Administration for space in the District of Columbia.

Expenses in connection with the acquisition, operation, maintenance, improvement, or disposition (including inspection, classing, and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors) of property which the Corporation owns or in which it has an interest have been treated as program rather than administrative expenses since 1951.

Similarly, expenses of other Federal agencies whose services are utilized in the handling of Commodity Credit Corporation property are treated as program expenses. Such expenses would include the fleet storage operations of the Maritime Administration conducted intermittently since 1949 and the services rendered by the General Services Administration in connection with the strategic, critical, and other materials acquired by the Corporation.

The requested authorization excludes expenses in connection with the supply and foreign purchase program and the wool and mohair price-support program under the National Wool Act of 1954, since it is contemplated that full reimbursement will be received for these expenses. Such reimbursements in connection with the supply and foreign purchase program will be obtained and used in 1958 in the same manner as in 1956 and 1957. Reimbursement for administrative expenses, as well as program expenses under the wool and mohair program will be obtained from appropriations made by the National Wool Act of 1954.

Estimates for 1958 include a limitation of \$38,400,000 for costs of administration exclusive of reimbursements for services performed but including a reserve of not less than 7 percent for contingencies. Because of the increasing price-support workload during the current year, present indications are that the 1957 limitation of \$31 million will

be insufficient. As a result, a supplemental estimate to increase this limitation will be submitted early in this session of Congress.

Special activities (intragovernmental transactions).—These are miscellaneous activities carried out under authority of section 5 (g) of the Corporation's charter and specific statutory authorizations with respect thereto which are currently in effect or which may be subsequently enacted.

Illustrative of current activities of this nature are loans to the Secretary of Agriculture in connection with the agricultural conservation program as authorized by section 391 (e) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1391) and advances to the Agricultural Marketing Service for grading tobacco and classing cotton as authorized by the acts of June 29, 1949, and August 31, 1951 (7 U. S. C. 440, 414a).

Current obligations for these activities are paid by the Corporation and appropriations have been authorized to reimburse the Corporation for its costs. Pending such reimbursements the net costs of these programs are reflected in the records of the Corporation as accounts receivable.

In addition, pursuant to section 120 of the Agricultural Act of 1956 (70 Stat. 197) the Secretary of Agriculture utilizes the services and facilities of the Corporation for carrying out the soil-bank program.

A more detailed description of the operations under these special activities may be found in the budget under appropriations pertaining to the Agricultural Conservation Program Service, the Agricultural Research Service, the Agricultural Marketing Service, the Commodity Stabilization Service, and the soil-bank program.

Financing.—The programs of the Commodity Credit Corporation are financed by capital stock, borrowings from the Treasury, guaranties to purchase loans held by lending agencies, restoration of capital impairment, and receipts from operations.

Borrowing authority.—Pursuant to section 120 of the Agricultural Act of 1956 (70 Stat. 197) the Secretary of Agriculture is utilizing the funds of the Corporation to finance the soil-bank program through June 30, 1957. An appropriation to reimburse the Corporation for funds used under this program, including interest thereon, will probably be requested in 1959.

On the basis of the budgetary assumptions heretofore described, including the transfers to finance the soil-bank program, the consequent estimated program requirements currently do not indicate a need for additional borrowing authority. However, subsequent developments in program or financing activities could result in the necessity for an increase.

In connection with loan guaranties, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all loans and other obligations held by lending agencies.

Funds may also be borrowed from private lending agencies when the Corporation desires to utilize such agencies in carrying out a particular operation. All borrowing agreements with private lending agencies are subject to approval by the Secretary of the Treasury.

Interest on borrowings from the Treasury (and on capital stock) is paid in accordance with a policy of the Treasury Department that the rate shall be based upon the average interest rate on all outstanding marketable obligations (of comparable maturity date) of the United States as of the end of the preceding month.

POSITION WITH RESPECT TO BORROWING AUTHORITY AS OF JUNE 30

	[In millions]		
	1956 actual	1957 estimate	1958 estimate
Statutory borrowing authority.....	\$12,000	\$14,500	\$14,500
Deduct: Statutory obligations outstanding:			
Borrowings from Treasury:			
For transfer to soil bank program.....	4	1,233	1,233
Other.....	11,186	12,220	12,340
Subtotal.....	11,190	13,453	13,573
Obligations to purchase loans held by lending agencies (guaranteed by Commodity Credit Corporation).....	586	640	638
Total statutory obligations outstanding.....	11,776	14,093	14,211
Net statutory borrowing authority available.....	224	407	289

Restoration of capital impairment.—Pursuant to the act of March 8, 1938, as amended (15 U. S. C. 713a-1, 68 Stat. 30), an appraisal of the assets and liabilities of the Corporation is made each year by the Secretary of the Treasury to determine net worth. If the net worth is less than \$100 million, the Secretary of the Treasury restores the amount of capital impairment; if net worth is more than \$100 million the Corporation pays the surplus to the Treasury (15 U. S. C. 713a-2). The appraisal of assets is on the basis of cost to the Corporation. The capital impairment, therefore, represents realized losses. The realized losses reflected on the books of the Corporation for 1956 were \$1,239,788,671, for which restoration is included in the 1958 estimates.

Receipts from operations.—These include proceeds from sales of commodities, loan repayments, interest income, advances, reimbursements for special activities financed by the Corporation and miscellaneous income, refunds, and collections.

Loan and inventory operations and realized losses.—Schedule 1 shows for 1956, 1957, and 1958 the actual and estimated loan and inventory operations and realized losses, by programs and commodities.

CONDENSED STATEMENT OF INCOME AND EXPENSES AND FINANCIAL CONDITION

	1956 actual	1957 estimate	1958 estimate
Price support program (Commodity Credit Corporation nonrecourse loan, purchase, and payment programs):			
Income:			
Sales of commodities ¹	\$1,628,538,524	\$2,658,311,782	\$2,111,326,668
Nonfund transactions: Barter and exchange for strategic materials.....	166,966,159	295,000,000	314,000,000
Recovery of prior year costs—school milk program.....	3,177,209	5,000,000	5,000,000
Other program income.....	1,905,042	46,250	40,000
Total income.....	1,800,586,934	2,958,358,032	2,430,366,668
Expense:			
Cost of sales ¹	2,316,035,560	3,676,514,473	3,113,085,575
School milk program.....	48,475,952	75,000,000	75,000,000
Donations of commodities.....	406,481,980	299,693,649	238,988,000
Increase or decrease (—) in allowances for losses on loans, inventories, and purchase contracts.....	97,047,783	—504,472,904	—242,027,000
Other program costs.....	4,360,807	4,700,000	4,110,000
Total expense.....	2,872,402,082	3,551,435,218	3,189,156,575
Net loss (—), price support program.....	—1,071,815,148	—593,077,186	—758,789,907
Supply and foreign purchase program:			
Sales of commodities and other income.....	24,915,560	15,402,229	3,850,630
Cost of sales and other expense.....	24,153,511	15,260,229	3,850,630
Net income, supply and foreign purchase program.....	762,049	142,000	—
Storage facilities program: ² Net loss (—).....	—258,265	—296,000	—196,000

¹ Sales under the price-support program include sales of agricultural commodities under barter contracts and sales of strategic materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

² Operation and maintenance costs applicable to owned storage structures are reflected as carrying charges on the commodities stored.

REVOLVING AND MANAGEMENT FUNDS—Continued

PUBLIC ENTERPRISE FUNDS—Continued

COMMODITY CREDIT CORPORATION—Continued

Commodity Credit Corporation Fund—Continued

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION—continued

	1956 actual	1957 estimate	1958 estimate
Commodity export program:			
Income: Sales of commodities.....	\$145,588,574	\$139,440,000	\$117,860,000
Expense:			
Cotton products export payments.....		20,000,000	20,000,000
Donations of commodities.....		60,000	100,000
Cost of sales (transferred from price support program).....	215,164,926	198,240,000	167,560,000
Total expense.....	215,164,926	218,300,000	187,660,000
Net loss (—), commodity export program.....	-69,576,352	-78,860,000	-69,800,000
Subsidy program (liquidation): Prior year adjustment (—).....	-1,075		
Adjustment for interprogram sales: ³			
Sales of commodities.....	-215,164,926	-198,240,000	-167,560,000
Cost of sales.....	-215,164,926	-198,240,000	-167,560,000
Net income or loss (—).....			
Other income and expense:			
Income: Interest and other.....	28,154,657	88,543,429	119,313,392
Expense:			
Administrative, interest, and other.....	224,102,320	417,380,125	451,727,485
Increase or decrease (—) in allowance for losses on accounts and notes receivable.....	-1,053,701	4,884,118	-2,200,000
Total expense.....	223,048,619	422,264,243	449,527,485
Net loss (—), other income and expense.....	-194,893,962	-333,720,814	-330,214,093
Net loss (—), all operations ⁴	-1,335,782,753	-1,005,812,000	-1,159,000,000
Analysis of deficit (—):			
Deficit (—), beginning of year.....	-3,406,765,340	-4,698,997,635	-4,775,522,457
Appropriation for restoration of capital impairment.....	1,634,659	929,287,178	1,239,788,671
Recovery of emergency feed program costs.....	41,915,799		
Deficit (—), end of year.....	-4,698,997,635	-4,775,522,457	-4,694,733,786
Assets:			
Current:			
Cash:			
With Treasury and banks:			
Revolving fund.....	\$11,976,569	\$6,558,706	\$8,034,705
Working fund advances and transfers to other agencies.....	4,015,289	5,250,000	5,250,000
In transit.....	13,467,180	10,000,000	10,000,000
Total cash.....	29,459,038	21,808,706	23,284,705
Foreign currencies.....	4,068,129		
Inventories (at cost).....	5,983,537,900	5,535,904,104	5,210,532,829
Less allowances for losses.....	2,086,069,904	1,790,054,000	1,601,917,000
Net inventories.....	3,897,467,996	3,745,850,104	3,608,615,829
Accounts receivable—recoverable from subsequent appropriations:			
Soil bank program:			
Transfer to soil bank program.....	3,758,533	1,232,711,480	1,232,711,480
Interest expense.....	2,901	20,488,520	60,488,520
Total soil bank program.....	3,761,434	1,253,200,000	1,293,200,000
Other.....	1,150,302,043	2,092,216,494	2,367,065,691
Total accounts receivable—recoverable from subsequent appropriations.....	1,154,063,477	3,345,416,494	3,660,265,691
Other current assets.....	385,807,021	541,265,000	454,345,000
Less allowance for losses.....	32,449,882	14,790,000	12,500,000
Net other current assets.....	353,357,139	526,565,000	441,845,000
Loans receivable:			
Held by Commodity Credit Corporation.....	1,746,461,580	1,468,916,000	1,470,860,750
Held by lending agencies (guaranteed by Commodity Credit Corporation) (see contra).....	586,490,690	639,992,000	637,754,000
Total loans receivable.....	2,332,952,270	2,108,908,000	2,108,614,750

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION—continued

	1956 actual	1957 estimate	1958 estimate
Assets—Continued			
Loans receivable—Continued			
Less allowance for losses.....	\$411,402,000	\$225,579,000	\$171,689,000
Net loans receivable.....	1,921,550,270	1,883,329,000	1,936,925,750
Land, structures, and equipment (net).....	147,455,239	165,440,239	182,505,239
Total assets.....	7,507,421,288	9,688,409,543	9,853,442,214
Liabilities: Current:			
Obligation to purchase loans held by lending agencies (contra).....	586,490,690	639,992,000	637,754,000
Other.....	329,928,233		237,422,000
Total liabilities.....	916,418,923	910,932,000	875,176,000
Investment of U. S. Government: Capital stock.....	100,000,000	100,000,000	100,000,000
Borrowings from Treasury:			
Transferred to soil bank program.....	3,758,533	1,232,711,480	1,232,711,480
Other.....	11,186,241,467	12,220,288,520	12,340,288,520
Total.....	11,190,000,000	13,453,000,000	13,573,000,000
Deficit (—).....	-4,698,997,635	-4,775,522,457	-4,694,733,786
Total investment of U. S. Government.....	6,591,002,365	8,777,477,543	8,978,266,214

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE			
New authorizations:			
Appropriations for restoration of capital impairment.....	\$1,634,659	\$929,287,178	\$1,239,788,671
To borrow from Treasury.....	2,000,000,000	2,500,000,000	
Transfer of authorization to finance soil bank program.....	-3,758,533	-1,228,952,947	
Adjusted new authorizations.....	1,997,876,126	2,200,334,231	1,239,788,671
Receipts from operations:			
Public enterprise transactions:			
Price support program:			
Repayment of loans to Commodity Credit Corporation.....	453,407,248	858,832,660	738,825,250
Sales of commodities.....	1,628,538,524	2,658,311,782	2,111,326,668
National Wool Act reimbursement.....	187,684	2,020,975	35,000,000
Other.....	8,946,335	19,341,250	21,780,000
Total price support program.....	2,091,079,791	3,538,506,667	2,906,931,918
Supply and foreign purchase program.....	24,951,362	15,402,229	3,850,630
Storage facilities program:			
Repayment of loans to Commodity Credit Corporation.....	10,534,546	11,171,859	11,895,000
Other.....	-5,347		
Total storage facilities program.....	10,529,199	11,171,859	11,895,000
Commodity export program.....	-69,576,352	-58,800,000	-49,700,000
Decrease in selected working capital.....			53,402,000
Interest income, administrative expense reimbursements, and other.....	28,154,657	88,543,429	119,313,392
Total receipts from operations (public enterprise transactions).....	2,085,138,657	3,594,824,184	3,045,692,940
Advances and reimbursements:			
Intragovernmental transactions (special activities):			
Repayment of loan to Secretary of Agriculture for conservation purposes.....	36,950,000	21,950,000	35,450,000
Reimbursements for prior year costs:			
Eradication of foot-and-mouth disease.....	5,788,897	1,267,785	1,853,450
Eradication of brucellosis in cattle.....	841,303	12,059,756	16,728,210
Cotton classing and tobacco grading.....	75,000	466,926	80,449
Transfer of hay and pasture seed to Federal land-administering agencies.....		183,945	
International Wheat Agreement.....	57,378,551	101,130,155	92,930,611
Commodity grants for emergency assistance to friendly peoples:			
Pakistan: Wheat.....	69,322,990		
Public Law 216 (68 Stat. 476).....	9,537,154		
Public Law 480 (68 Stat. 456).....		88,628,927	94,483,518
Sales for foreign currencies, Public Law 480 (68 Stat. 455):			
From appropriated funds.....		67,477,228	637,000,000
By sales of foreign currencies for dollars.....	9,533,492	31,259,985	30,000,000
Emergency feed program.....	41,915,799		

³ Adjustment to eliminate the market value of agricultural commodities transferred from the price-support program to the commodity export program.

⁴ Amounts recovered or to be recovered from appropriations for special activities authorized by the Congress are not reflected as losses.

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES—con.

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE—continued			
Advances and reimbursements—Con.			
Intragovernmental transactions—Con.			
Soil bank program: Current program costs.....		\$1,131,607,747	\$1,159,426,000
Total advances and reimbursements.....	\$231,343,186	1,456,032,454	2,067,952,238
Total receipts from operations.....	2,316,481,843	5,050,856,638	5,113,645,178
Balance brought forward:			
Unobligated: Authorization to expend from debt receipts.....	1,071,457,359	-163,990,731	120,649,706
Obligated:			
Cash.....	31,882,057	29,459,038	21,808,706
Authorization to expend from debt receipts.....	1,320,542,641	973,990,731	926,350,294
Total budget authorizations and receipts available.....	6,738,240,026	8,090,649,907	7,422,242,555
EXPENDITURES AND BALANCES			
Gross budget expenditures:			
Public enterprise transactions:			
Price support program:			
Direct loans made.....	501,514,803	504,629,418	426,680,000
Loans purchased from lending agencies.....	2,291,476,654	2,067,857,650	1,890,492,000
Redemption of certificates of interest.....	538,010,000		
Purchases of commodities and other costs.....	1,258,674,182	1,237,807,085	1,134,865,800
National Wool Act, incentive payments and other costs.....	2,020,975	64,124,000	60,436,000
School milk program.....	48,475,952	75,000,000	75,000,000
Other.....	2,885,154	2,035,000	1,900,000
Total price support program.....	4,643,657,720	3,951,453,153	3,589,373,800
Supply and foreign purchase program.....	18,026,305	4,023,341	3,854,130
Storage facilities program:			
Direct loans made.....	5,910,203	8,190,000	8,112,000
Loans purchased from lending agencies.....	168,660	231,000	229,000
Purchases of storage facilities and other costs.....	13,283,167	32,296,000	33,196,000
Total storage facilities program.....	19,362,030	40,717,000	41,537,000
Commodity export program:			
Purchases of commodities and other costs.....		60,000	100,000
Cotton products export payments.....		20,000,000	20,000,000
Total commodity export program.....		20,060,000	20,100,000
Subsidy program (liquidation).....	1,075		
Administrative, interest and other expenses.....	224,102,320	417,380,125	451,727,485
Increase in selected working capital.....	121,856,037	210,378,083	
Total gross budget expenditures (public enterprise transactions).....	5,026,405,487	4,644,011,702	4,106,592,415
Gross expenditures (intragovernmental transactions):			
Loan to Secretary of Agriculture for agricultural conservation purposes.....	43,450,000	43,450,000	43,450,000
Eradication of foot-and-mouth disease.....	1,824,725	1,555,844	1,325,400
Eradication of brucellosis in cattle.....	16,754,582	20,517,693	20,703,000
Cotton classing and tobacco grading.....	184,282	153,819	155,300
Transfer of hay and pasture seed to Federal land-administering agencies.....	34,286		
International Wheat Agreement costs.....	92,313,014	99,711,087	111,323,000
Agricultural Trade Development and Assistance Act:			
Title I—Sales for foreign currencies.....	624,226,712	932,954,638	944,310,195
Title II—Commodity grants for emergency assistance to friendly peoples.....	93,584,999	127,366,982	44,644,000
Soil bank program:			
Program costs.....		1,131,607,747	1,159,426,000
Interest expense.....	2,901	20,485,619	40,000,000
Water fowl feed program.....		26,070	28,540
Total gross expenditures (intragovernmental transactions).....	872,375,501	2,377,829,499	2,365,365,435
Total gross expenditures.....	5,898,780,988	7,021,841,201	6,471,957,850
Balance carried forward:			
Unobligated: Authorization to expend from debt receipts.....	-163,990,731	120,649,706	59,982,705
Obligated:			
Cash.....	29,459,038	21,808,706	23,284,705
Authorization to expend from debt receipts.....	973,990,731	926,350,294	867,017,295
Total expenditures and balances.....	6,738,240,026	8,090,649,907	7,422,242,555
BUDGET EXPENDITURES			
Public enterprise transactions:			
Gross budget expenditures.....	5,026,405,487	4,644,011,702	4,106,592,415
Receipts from operations.....	2,085,138,657	3,594,824,184	3,045,692,940
Net budget expenditures.....	2,941,266,830	1,049,187,518	1,060,899,475

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES—con.

	1956 actual	1957 estimate	1958 estimate
BUDGET EXPENDITURES—continued			
Intragovernmental transactions:			
Gross expenditures.....	\$872,375,501	\$2,377,829,499	\$2,365,365,435
Advances and reimbursements.....	231,343,186	1,456,032,454	2,067,952,238
Budget expenditures.....	641,032,315	921,797,045	297,413,197
Total net budget expenditures.....	3,582,299,145	1,970,984,563	1,358,312,672
Distribution of total net budget expenditures:			
Out of current authorizations.....	1,187,876,126	1,153,334,231	1,239,788,671
Out of prior authorizations.....	2,392,000,000	810,000,000	120,000,000
Out of balances of the fund.....	2,423,019	7,650,332	—1,475,999

STATUS OF CERTAIN FUND BALANCES				
	1955 actual	1956 actual	1957 estimate	1958 estimate
Unexpended balance:				
Cash.....	\$31,882,057	\$29,459,038	\$21,808,706	\$23,284,705
Budgetary authorizations:				
Authorization to borrow from Treasury..	10,000,000,000	12,000,000,000	14,500,000,000	14,500,000,000
Deduct borrowings from Treasury:				
For transfer to soil bank program.....		3,758,533	1,232,711,480	1,232,711,480
Other.....	7,608,000,000	11,186,241,467	12,220,288,520	12,340,288,520
Subtotal.....	7,608,000,000	11,190,000,000	13,453,000,000	13,573,000,000
Total budgetary authorizations.....	2,392,000,000	810,000,000	1,047,000,000	927,000,000
Total unexpended balance.....	2,423,882,057	839,459,038	1,068,808,706	950,284,705
Net obligations outstanding:				
Obligations to purchase loans held by banks...	986,634,282	586,490,690	639,992,000	637,754,000
Other current liabilities.....	351,313,402	329,928,233	270,940,000	237,422,000
Obligations other than liabilities:				
Purchase agreements, letters of commitment, etc.....	232,627,835	365,740,747	493,272,000	384,723,000
Other commitments.....	9,362,759	78,715,367	70,520,000	72,248,000
Deduct current assets:				
Foreign currencies.....	—12,956,170	—4,068,129	-----	-----
Net other current assets.....	—214,557,410	—353,357,139	—526,565,000	—441,845,000
Net obligations outstanding.....	1,352,424,698	1,003,449,769	948,159,000	890,302,000
Unobligated portion of certain fund balances ¹	1,071,457,359	—163,990,731	120,649,706	59,982,705

¹ Statutory obligations include only borrowings from Treasury and obligations to purchase loans held by banks; other obligations, contingent liabilities and commitments do not become charges against the statutory borrowing authority until they result in borrowings from Treasury or in loans held by banks.

Administrative Expenses, Commodity Credit Corporation (Limitation)

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed \$31,000,000, \$38,400,000 shall be available for administrative expenses of the Corporation including uniforms, or allowances therefor, as authorized by the Act of September 1, 1954 (5 U. S. C. 2131), as amended: *Provided further*, That \$1,000,000 of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That not less than 7 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof. (7 U. S. C. 624, 1282, 1301, 1385, 1391c, 1421-1450, 1641-1642, 1741-1747, 1781-1787; 15 U. S. C. 712a, 713a-1-10, 714-714p; 31 U. S. C. 841, 846-852, 866-868c,

REVOLVING AND MANAGEMENT FUNDS—Continued

PUBLIC ENTERPRISE FUNDS—Continued

COMMODITY CREDIT CORPORATION—Continued

Administrative Expenses, Commodity Credit Corporation (Limitation)—Continued

369; 50 U. S. C. app. 1917; 70 Stat. 6, 86, 197-203, 212-213, 492, 596, 783, 966, 988, 1017; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957; Supplemental Appropriation Act, 1957.)

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Price support program.....	\$26,982,205	\$31,374,000	\$33,099,000
2. Storage facilities program.....	1,402,178	1,364,000	1,422,000
3. Commodity export program.....	99,050	512,000	624,000
4. Subsidy program.....	451		
Contingency reserve.....			2,780,000
Total administrative expenses.....	28,483,884	33,250,000	37,925,000
Financing:			
Unobligated balance no longer available.....	2,266,116	500,000	475,000
Limitation.....	30,750,000	31,000,000	38,400,000
Proposed increase in limitation due to increased workload.....		2,750,000	

ADMINISTRATIVE EXPENSES BY OBJECTS

COMMODITY STABILIZATION SERVICE			
Total number of permanent positions.....	5,197	5,517	5,534
Full-time equivalent of all other positions.....	4	7	7
Average number of all employees.....	4,375	5,108	4,868
Number of employees at end of year.....	4,437	5,150	4,900
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,524	\$4,578	\$4,602
Average grade.....	GS-5.4	GS-5.4	GS-5.5
01 Personal services:			
Permanent positions.....	\$18,960,204	\$22,479,325	\$22,060,848
Positions other than permanent.....	23,962	52,599	52,599
Regular pay above 52-week base.....	79,601		87,654
Payment above basic rates.....	756,868	851,154	755,328
Total personal services.....	19,820,635	23,383,078	22,956,429

ADMINISTRATIVE EXPENSES BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
COMMODITY STABILIZATION SERVICE—con.			
02 Travel.....	\$879,551	\$1,195,000	\$1,217,000
03 Transportation of things.....	103,196	142,000	153,000
04 Communication services.....	678,567	730,000	736,000
05 Rents and utility services.....	1,580,693	2,114,000	3,070,000
06 Printing and reproduction.....	670,868	902,000	897,000
07 Other contractual services.....	283,114	334,900	262,200
Services performed by other agencies.....	3,539,885	4,001,880	4,136,890
08 Supplies and materials.....	293,397	359,800	355,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			1,261,000
13 Refunds, awards, and indemnities.....	16,004	22,100	28,100
15 Taxes and assessments.....	53,359	65,242	55,381
Contingency reserve.....			2,780,000
Total, Commodity Stabilization Service.....	27,924,269	33,250,000	37,925,000
ALLOCATION TO AGRICULTURAL MARKETING SERVICE			
Total number of permanent positions.....	93		
Average number of all employees.....	86		
Number of employees at end of year.....	89		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,294		
Average grade.....	GS-7.2		
01 Personal services:			
Permanent positions.....	\$475,531		
Positions other than permanent.....	1,806		
Regular pay above 52-week base.....	1,689		
Payment above basic rates.....	1,478		
Total personal services.....	480,504		
02 Travel.....	48,796		
03 Transportation of things.....	2,440		
04 Communication services.....	12,383		
05 Rents and utility services.....	4,288		
06 Printing and reproduction.....	2,933		
07 Other contractual services.....	3,366		
08 Supplies and materials.....	3,302		
13 Refunds, awards, and indemnities.....	950		
15 Taxes and assessments.....	653		
Total, Agricultural Marketing Service.....	559,615		
Total administrative expenses.....	28,483,884	33,250,000	37,925,000

COMMODITY CREDIT CORPORATION FUND—SCHEDULE 1.—Loan and inventory operations and realized losses

(Fiscal years 1956 actual; 1957 and 1958 estimate)

Program, commodity, and fiscal year	Loan operations					Inventory operations				Memoran- dum: Realized gain or loss (—)
	Loans out- standing at beginning of year	New loans made	Repayments	Collateral acquired and write- offs	Loans out- standing at end of year	Beginning inventory	Acquisitions	Disposi- tions ¹	Ending inventory	
PRICE SUPPORT PROGRAM										
Basic commodities:										
Corn:										
1956.....	\$469,550,944	\$558,097,617	\$16,660,019	\$356,763,809	\$654,224,733	\$985,969,678	\$570,857,328	\$311,269,648	\$1,245,557,358	—\$111,798,312
1957.....	654,224,733	687,000,000	140,400,000	523,174,733	677,650,000	1,245,557,358	722,631,542	434,525,000	1,533,663,900	—140,365,000
1958.....	677,650,000	576,650,000	99,500,000	458,350,000	696,450,000	1,533,663,900	712,632,500	479,450,000	1,766,846,400	—157,860,000
Cornmeal:										
1957.....							19,778,500	19,778,500		—19,778,500
1958.....							19,778,500	19,778,500		—19,778,500
Cotton:										
Extra long staple:										
1956.....	35,136,376	7,333,389	6,214,888	35,121,562	1,133,315		36,185,542	21,566,855	14,618,687	—4,057,852
1957.....	1,133,315	8,207,000	1,728,975	536,340	7,075,000	14,618,687	566,340	15,185,027		—3,960,047
1958.....	7,075,000	16,414,000	2,830,000	7,075,000	13,584,000		7,291,800	287,800	7,004,000	12,200
Upland:										
1956.....	1,094,361,157	1,179,207,281	217,074,399	1,078,742,760	977,751,279	289,569,204	1,170,084,750	209,840,714	1,249,813,240	—62,266,400
1957.....	977,751,279	1,002,075,000	314,329,612	973,421,667	692,075,000	1,249,813,240	1,058,212,770	1,143,663,010	1,164,363,000	—332,691,060
1958.....	692,075,000	909,230,000	255,750,000	668,825,000	676,730,000	1,164,363,000	744,254,000	826,035,000	1,082,582,000	—265,005,000
Peanuts:										
1956.....		34,075,676	4,105,079	20,073,026	9,897,571		22,397,397	18,352,469	4,044,928	—9,249,991
1957.....	9,897,571	32,270,000	7,450,778	34,716,793		4,044,928	38,593,103	33,948,031	8,690,000	—19,078,041
1958.....		30,100,000	4,540,000	25,560,000		8,690,000	27,590,000	10,322,000	25,958,000	—6,028,000

¹ Sales under the price support program include sales of agricultural commodities under barter contracts and sales of strategic and critical materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

COMMODITY CREDIT CORPORATION FUND—SCHEDULE 1.—*Loan and inventory operations and realized losses*—Continued

Program, commodity, and fiscal year	Loan operations					Inventory operations				Memoran- dum: Realized gain or loss (—)
	Loans out- standing at beginning of year	New loans made	Repayments	Collateral acquired and write- offs	Loans out- standing at end of year	Beginning inventory	Acquisitions	Disposi- tions ¹	Ending inventory	
PRICE SUPPORT PROGRAM—CON.										
Basic commodities—Continued										
Rice:										
Milled:										
1956.....						\$105,499,977	\$91,778,929	\$71,310,890	\$125,968,016	—\$18,966,407
1957.....						125,968,016	192,045,884	287,053,900	50,960,000	—36,018,600
1958.....						50,960,000	119,265,000	133,195,000	37,030,000	—3,725,000
Rough:										
1956.....	\$11,432,719	\$82,392,436	\$3,928,960	\$88,101,203	\$1,794,992	19,470,824	138,023,723	78,105,466	79,389,081	51,073
1957.....	1,794,992	67,090,000	4,570,000	63,172,492	1,142,500	79,389,081	100,037,890	127,842,971	51,584,000	-----
1958.....	1,142,500	62,773,000	4,430,000	58,377,500	1,108,000	51,584,000	78,985,000	82,872,000	47,697,000	-----
Tobacco:										
1956.....	402,556,449	249,127,494	122,853,925	1,036,102	527,793,916	91,738	680	92,418	-----	—389,799
1957.....	527,793,916	265,000,000	183,543,916	2,665,000	606,585,000	-----	-----	-----	-----	—3,066,000
1958.....	606,585,000	218,800,000	210,180,000	2,210,000	612,995,000	-----	-----	-----	-----	—2,585,000
Wheat:										
1956.....	32,246,063	597,702,738	47,698,767	492,195,044	90,054,990	2,546,979,497	812,266,225	823,646,026	2,535,599,696	—99,775,441
1957.....	90,054,990	477,553,418	344,709,507	193,198,901	29,700,000	2,535,599,696	416,407,304	790,830,000	2,161,177,000	—128,690,000
1958.....	29,700,000	300,000,000	253,790,000	65,910,000	10,000,000	2,161,177,000	215,687,000	722,010,000	1,654,854,000	—181,360,000
Wheat flour:										
1956.....							3,765,498	3,765,498	-----	467,394
1957.....							36,051,500	36,051,500	-----	—36,051,500
1958.....							36,051,500	36,051,500	-----	—36,051,500
Total basic:										
1956.....	2,045,283,708	2,707,936,631	418,536,037	2,072,033,506	2,262,650,796	3,947,580,918	2,845,360,072	1,537,949,984	5,254,991,006	—305,985,735
1957.....	2,262,650,796	2,539,195,418	996,732,788	1,790,885,926	2,014,227,500	5,254,991,006	2,584,324,833	2,868,877,939	4,970,437,900	—719,698,748
1958.....	2,014,227,500	2,113,967,000	831,020,000	1,286,307,500	2,010,867,000	4,970,437,900	1,961,535,300	2,310,001,800	4,621,971,400	—672,380,800
Mandatory nonbasic commodi- ties:										
Honey:										
1956.....	14,184	188,322	182,480	-----	20,026	-----	-----	-----	-----	—2,086
1957.....	20,026	250,000	220,026	40,000	10,000	-----	96,000	96,000	-----	-----
1958.....	10,000	385,000	230,000	165,000	-----	-----	288,000	288,000	-----	-----
Milk and butterfat:										
Butter:										
1956.....						169,346,589	49,100,148	184,768,244	33,678,493	—141,701,781
1957.....						33,678,493	112,000,000	119,778,493	25,900,000	—28,988,493
1958.....						25,900,000	112,400,000	110,900,000	27,400,000	—20,860,000
Butter oil:										
1956.....						6,843,437	68,458,035	73,867,202	1,434,270	—72,937,691
1957.....						1,434,270	25,000	1,459,270	-----	—1,331,279
Cheese:										
1956.....						139,874,425	76,104,345	110,093,405	105,885,365	—83,685,530
1957.....						105,885,365	74,800,000	128,585,365	52,100,000	—57,724,330
1958.....						52,100,000	72,200,000	106,900,000	17,400,000	—39,890,000
Surplus fluid milk to Armed Forces and Administra- tor of Veterans Affairs:										
1956.....							7,295,473	7,295,473	-----	—7,295,473
1957.....							7,298,000	7,298,000	-----	—7,298,000
1958.....							7,298,000	7,298,000	-----	—7,298,000
To increase the consumption of fluid milk in schools:										
1956.....									-----	—45,298,743
1957.....									-----	—70,000,000
1958.....									-----	—70,000,000
Milk, nonfat dry:										
1956.....						32,868,011	117,724,222	118,579,623	32,012,610	—95,578,918
1957.....						32,012,610	123,500,000	130,712,610	24,800,000	—90,812,610
1958.....						24,800,000	128,600,000	130,700,000	22,700,000	—91,550,000
Whey products:										
1956.....						3,403,113	205,234	3,608,347	-----	—2,939,866
1957.....									-----	40,000
Potatoes (liquidation): 1956.....										—139,676
Tung oil:										
1956.....	666,553	—3,609	657,698	5,246	-----	8,370,481	143,680	7,333,312	1,180,849	—479,646
1957.....		3,150,000	630,000	-----	2,520,000	1,180,849	25,000	1,205,849	-----	—186,399
1958.....	2,520,000	4,200,000	1,470,000	2,100,000	3,150,000	-----	2,200,000	2,200,000	-----	—200,000

¹ Sales under the price-support program include sales of agricultural commodities under barter contracts and sales of strategic and critical materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

REVOLVING AND MANAGEMENT FUNDS—Continued

COMMODITY CREDIT CORPORATION FUND—SCHEDULE 1.—*Loan and inventory operations and realized losses*—Continued

Program, commodity, and fiscal year	Loan operations					Inventory operations				Memorandum: Realized gain or loss (—)
	Loans outstanding at beginning of year	New loans made	Repayments	Collateral acquired and write-offs	Loans outstanding at end of year	Beginning inventory	Acquisitions	Dispositions ¹	Ending inventory	
PRICE SUPPORT PROGRAM—con.										
Mandatory nonbasic commodities—Continued										
Wool (liquidation):										
1956.....						\$102,060, 158	\$2,319, 847	\$29,427, 898	\$74,952, 107	—\$7,280, 477
1957.....						74,952, 107	1,419, 435	41,105, 267	35,266, 275	—9,305, 267
1958.....						35,266, 275	437, 500	35,703, 775		—8,615, 187
Total mandatory nonbasic:										
1956.....	\$680,737	\$184,713	\$840,178	\$5,246	20,026	462,766, 214	321,350, 984	534,973, 504	249,143, 694	—457,339, 887
1957.....	20,026	3,400,000	850,026	40,000	2,530,000	249,143, 694	319,163, 435	430,240, 854	138,066, 275	—265,606, 378
1958.....	2,530,000	4,585,000	1,700,000	2,265,000	3,150,000	138,066, 275	323,423, 500	393,989, 775	67,500,000	—238,413, 187
Other nonbasic commodities:										
Barley:										
1956.....	14,310,122	68,257,664	13,293,730	60,583,517	8,690,539	95,110,828	118,479,277	144,186,487	69,403,618	—49,704,275
1957.....	8,690,539	74,532,000	18,952,252	58,200,287	6,070,000	69,403,618	98,965,732	111,969,350	56,400,000	—26,836,006
1958.....	6,070,000	79,330,000	15,120,000	62,730,000	7,550,000	56,400,000	101,798,000	77,380,000	80,818,000	—25,780,000
Beans, dry edible:										
1956.....	668,174	18,661,229	6,881,790	12,413,841	33,772	20,823,863	16,165,945	23,865,634	13,124,174	—9,821,596
1957.....	33,772	21,000,000	4,165,000	16,833,772	35,000	13,124,174	23,845,786	23,094,960	13,875,000	—10,869,124
1958.....	35,000	25,940,000	5,684,250	20,255,000	35,750	13,875,000	23,811,000	21,086,000	16,600,000	—11,491,000
Cottonseed and products:										
Cottonseed:										
1956.....		9,430	9,430							—520
1957.....		96,000	96,000				925,000	925,000		—45,000
1958.....		96,000	96,000				925,000	925,000		—45,000
Cottonseed oil:										
Crude:										
1956.....						1,006,123	4,065,953	5,072,076		—720,101
1957.....							2,946	2,946		—2,946
Refined:										
1956.....						40,708,091	3,500,599	43,702,376	506,314	—3,353,776
1957.....						506,314	105,000	611,314		—609,014
Cottonseed meal:										
1956.....						454,004	3,936,168	4,390,172		—1,019,944
Cotton linters:										
1956.....						69,520,570	6,492,811	58,501,662	17,511,719	—39,400,890
1957.....						17,511,719	430,760	17,942,479		—8,465,770
Eggs (liquidation): 1956.....										—74,089
Flaxseed:										
1956.....	2,914,890	20,138,943	20,389,550	2,051,265	613,018	22,905,402	4,856,232	27,688,445	73,189	—1,767,510
1957.....	613,018	37,500,000	3,000,000	32,113,018	3,000,000	73,189	41,760,211	10,633,400	31,200,000	502,820
1958.....	3,000,000	40,595,000	3,080,000	37,435,000	3,080,000	31,200,000	50,340,000	44,160,000	37,380,000	—300,000
Linseed oil:										
1956.....						9,624,828	13,050,080	22,672,426	2,482	—5,860,061
1957.....						2,482	1,500	3,982		2,018
1958.....							23,632,000	23,632,000		—8,655,000
Naval stores:										
Rosin:										
1956.....						25,210,260	240,750	4,354,856	21,096,154	475,844
1957.....		3,920,000	1,950,000		1,970,000	21,096,154	221,846	3,836,000	17,482,000	255,120
1958.....	1,970,000	5,910,000	7,880,000			17,482,000	188,000	4,059,000	13,611,000	201,080
Turpentine:										
1956.....						1,403,909	48,813	374,949	1,077,773	—14,879
1957.....		510,000	255,000		255,000	1,077,773	43,395	610,168	511,000	—40,168
1958.....	255,000	765,000	1,020,000			511,000	22,000	533,000		—56,000
Oats:										
1956.....	15,692,990	32,992,387	11,132,778	26,426,782	11,125,817	34,562,957	47,195,680	34,410,172	47,348,465	—16,085,079
1957.....	11,125,817	29,853,500	22,183,786	16,135,531	2,660,000	47,348,465	33,443,042	64,645,507	16,146,000	—20,327,524
1958.....	2,660,000	30,010,000	12,325,000	17,765,000	2,580,000	16,146,000	26,603,000	14,085,000	28,664,000	—4,785,000
Peas, dry edible (liquidation): 1956.....										62,031
Rye:										
1956.....	2,320,037	11,377,317	134,499	12,892,750	670,105	9,845,541	23,180,906	16,802,407	16,224,040	—7,626,175
1957.....	670,105	9,930,000	590,000	9,342,105	668,000	16,224,040	16,413,260	23,287,300	9,350,000	—7,217,100
1958.....	668,000	11,230,000	1,100,000	10,138,000	660,000	9,350,000	15,920,000	14,652,000	10,618,000	—5,142,000

¹ Sales under the price-support program include sales of agricultural commodities under barter contracts and sales of strategic and critical materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

COMMODITY CREDIT CORPORATION FUND—SCHEDULE 1.—*Loan and inventory operations and realized losses*—Continued

Program, commodity, and fiscal year	Loan operations					Inventory operations				Memoran- dum: Realized gain or loss (—)
	Loans out- standing at beginning of year	New loans made	Repayments	Collateral acquired and write- offs	Loans out- standing at end of year	Beginning inventory	Acquisitions	Disposi- tions ¹	Ending inventory	
PRICE SUPPORT PROGRAM—con.										
Other nonbasic commodities— Continued										
Seeds:										
Hay and pasture:										
1956.....						\$17,175,572	\$249,204	\$15,656,690	\$1,768,086	—\$9,192,243
1957.....						1,768,086	53,894	1,821,980		-----
Winter cover crop: 1956.....						3,637,459	36,093	3,673,552		—649,635
Sorghums, grain:										
1956.....	\$794,643	\$101,567,001	\$9,945,453	\$91,447,701	\$968,490	141,717,367	129,043,509	153,540,358	117,220,518	—63,331,589
1957.....	968,490	80,192,500	39,050,000	41,248,490	862,500	117,220,518	69,046,382	125,723,900	60,543,000	—38,448,843
1958.....	862,500	99,472,000	10,300,000	89,172,500	862,000	60,543,000	112,701,000	63,650,000	109,594,000	—24,950,000
Soybeans:										
1956.....	15,148,969	55,043,733	56,372,040	13,412,854	407,808	18,109,970	17,064,317	35,110,482	63,805	—3,522,784
1957.....	407,808	107,500,000	52,007,808	45,150,000	10,750,000	63,805	51,064,192	2,407,997	48,720,000	—143,427
1958.....	10,750,000	115,780,000	61,500,000	54,780,000	10,250,000	48,720,000	65,800,000	77,920,000	36,600,000	—9,020,000
Total other nonbasic:										
1956.....	51,849,825	308,047,704	118,159,270	219,228,710	22,509,549	511,816,744	387,606,337	594,002,744	305,420,337	—211,607,271
1957.....	22,509,549	365,034,000	142,249,846	219,023,203	26,270,500	305,420,337	336,322,946	387,516,283	254,227,000	—112,244,964
1958.....	26,270,500	409,128,000	118,105,250	292,275,500	25,017,750	254,227,000	421,740,000	342,082,000	333,885,000	—90,022,920
Barter and exchange:										
1956.....						49,301,400	168,862,954	55,591,308	162,573,046	165,528
1957.....						162,573,046	300,000,000	289,573,046	173,000,000	-----
1958.....						173,000,000	320,000,000	306,000,000	187,000,000	-----
Total price support pro- gram:										
1956.....	2,097,814,270	3,016,169,048	537,535,485	2,291,267,462	2,285,180,371	4,971,465,276	3,723,180,347	2,722,517,540	5,972,128,083	—974,767,365
1957.....	2,285,180,371	2,907,629,418	1,139,832,660	2,009,949,129	2,043,028,000	5,972,128,083	3,539,811,214	3,976,208,122	5,535,731,175	—1,097,550,090
1958.....	2,043,028,000	2,527,680,000	950,825,250	1,580,848,000	2,039,034,750	5,535,731,175	3,026,698,800	3,352,073,575	5,210,356,400	—1,000,816,907
SUPPLY AND FOREIGN PURCHASE PROGRAM										
1956.....						17,572,825	17,940,444	24,103,452	11,409,817	762,049
1957.....						11,409,817	3,973,341	15,210,229	172,929	142,000
1958.....						172,929	3,804,130	3,800,630	176,429	-----
STORAGE FACILITIES PROGRAM ²										
1956.....	39,566,308	7,540,687	13,179,316	105,780	33,821,899					—258,265
1957.....	33,821,899	10,500,000	13,891,899		30,430,000					—296,000
1958.....	30,430,000	10,400,000	14,700,000		26,130,000					—196,000
COMMODITY EXPORT PROGRAM										
1956.....							215,164,926	215,164,926		—69,576,352
1957.....							198,300,000	198,300,000		—78,860,000
1958.....							167,660,000	167,660,000		—69,800,000
SUBSIDY PROGRAM										
Liquidation: 1956.....										—1,075
LOAN TO SECRETARY OF AGRICULTURE										
1956.....	7,450,000	43,450,000	36,950,000		13,950,000					-----
1957.....	13,950,000	43,450,000	21,950,000		35,450,000					-----
1958.....	35,450,000	43,450,000	35,450,000		43,450,000					-----
OTHER INCOME AND EXPENSE										
1956.....										—195,947,663
1957.....										—328,836,696
1958.....										—332,414,093

¹ Sales under the price-support program include sales of agricultural commodities under barter contracts and sales of strategic and critical materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

² Operation and maintenance costs applicable to owned storage structures are reflected as carrying charges on the commodities stored.

REVOLVING AND MANAGEMENT FUNDS—Continued

COMMODITY CREDIT CORPORATION FUND—SCHEDULE 1.—Loan and inventory operations and realized losses—Continued

Program, commodity, and fiscal year	Loan operations					Inventory operations				Memorandum: Realized gain or loss (—)
	Loans outstanding at beginning of year	New loans made	Repayments	Collateral acquired and write-offs	Loans outstanding at end of year	Beginning inventory	Acquisitions	Dispositions ¹	Ending inventory	
ADJUSTMENT FOR INTERPROGRAM SALES ²										
1956-----							—\$215,164,926	—\$215,164,926		
1957-----							—198,240,000	—198,240,000		
1958-----							—167,560,000	—167,560,000		
Total, all programs:										
1956-----	\$2,144,830,578	\$3,067,159,735	\$587,664,801	\$2,291,373,242	\$2,332,952,270	\$4,989,038,101	3,741,120,791	2,746,620,992	\$5,983,537,900	—\$1,239,788,671
1957-----	2,332,952,270	2,961,579,418	1,175,674,559	2,009,949,129	2,108,908,000	5,983,537,900	3,543,844,555	3,991,478,351	5,535,904,104	—1,505,400,786
1958-----	2,108,908,000	2,581,530,000	1,000,975,250	1,580,848,000	2,108,614,750	5,535,904,104	3,030,602,930	3,355,974,205	5,210,532,829	—1,403,227,000

¹ Sales under the price-support program include sales of agricultural commodities under harter contracts and sales of strategic and critical materials and other commodities acquired under such harter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

² Adjustment to eliminate the market value of agricultural commodities transferred from the price-support program to the commodity export program.

FEDERAL CROP INSURANCE CORPORATION

NOTE.—Operating and administrative expenses of the Corporation are financed primarily by general fund appropriation and shown under current authorizations.

[SUBSCRIPTION TO CAPITAL STOCK]

Subscription to Capital Stock, Federal Crop Insurance Corporation

【To enable the Secretary of the Treasury to subscribe and pay for capital stock of the Federal Crop Insurance Corporation, as provided in section 504 of the Federal Crop Insurance Act (7 U. S. C. 1504), \$13,000,000.】 (*Supplemental Appropriation Act, 1957.*)

Appropriated 1957, \$13,000,000

AMOUNTS AVAILABLE FOR OBLIGATION

	1956 actual	1957 estimate	1958 estimate
Appropriation (obligations incurred)-----		\$13,000,000	

ANALYSIS OF TRANSFERS TO FUND

	1956 actual	1957 estimate	1958 estimate
Obligations incurred during the year (transfers to fund out of current authorizations)-----		\$13,000,000	

Federal Crop Insurance Corporation Fund

Federal Crop Insurance Corporation: *Provided*, 【That the direct costs of loss adjusters for crop inspections and loss adjustments may be considered as nonadministrative or nonoperating expenses: *Provided further*,】 That not to exceed \$2,000,000 of administrative and operating expenses may be paid from premium income. (*70 Stat. 1034; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.*)

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by Activities			
Indemnities, by crop:			
Barley-----		\$41,000	\$437,000
Beans-----	\$89,108	115,000	143,000
Citrus-----	3,255	7,000	235,000
Corn-----	2,011,071	9,348,000	1,790,000
Cotton-----	1,054,898	1,213,000	2,481,000
Flax-----	544,267	370,000	632,000
Multiple crops-----	4,024,297	4,057,000	5,293,000
Peaches-----			54,000
Soybeans-----	20,854	36,000	83,000
Tobacco-----	1,078,172	787,000	2,923,000
Wheat-----	16,680,745	12,334,000	11,429,000
Total indemnities-----	25,506,667	28,308,000	25,500,000

PROGRAM AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Program by activities—Continued			
Expense:			
Inspection and adjustment costs-----	\$534,232	\$850,000	\$1,000,000
Administrative expense-----	221,749	2,000,000	2,000,000
Total operational program-----	26,262,648	31,158,000	28,500,000
Adjustment of prior years income-----	136,687	222,000	283,000
Total program (obligations)-----	26,399,335	31,380,000	28,783,000
Financing			
Amounts becoming available:			
Insurance premiums, by crop:			
Barley-----		102,000	485,000
Beans-----	135,110	122,000	159,000
Citrus-----	93,852	107,000	261,000
Corn-----	1,366,047	2,728,000	1,989,000
Cotton-----	1,250,552	1,678,000	2,757,000
Flax-----	703,620	648,000	702,000
Multiple crops-----	2,827,032	3,253,000	5,881,000
Peaches-----			60,000
Soybeans-----	28,464	45,000	92,000
Tobacco-----	2,721,886	2,166,000	3,248,000
Wheat-----	13,211,811	11,325,000	12,699,000
Total premiums-----	22,338,374	22,174,000	28,333,000
Interest and other income-----	87,419	100,000	100,000
Subscription to capital stock-----		13,000,000	
Total amounts becoming available-----	22,425,793	35,274,000	28,433,000
Unobligated balance brought forward-----	19,267,943	15,294,401	19,188,401
Total amounts available-----	41,693,736	50,568,401	47,621,401
Unobligated balance carried forward-----	—15,294,401	—19,188,401	—18,838,401
Financing applied to program-----	26,399,335	31,380,000	28,783,000

The Federal Crop Insurance Corporation provides all-risk protection for the farmer's investment in producing crops against loss from unavoidable causes. Insurance programs are conducted on a limited basis to develop the experience necessary for the operation of a sound all-risk crop insurance plan on a national basis.

Capital stock of \$100 million is authorized to be subscribed by the United States. As of June 30, 1956, the Secretary of the Treasury held receipts for \$27 million of authorized stock, leaving \$73 million unissued. However, as a result of the payment of heavy losses due to drought the last few years, available capital of the Corporation was depleted to the extent that Congress approved an appropriation of \$13 million in 1957 for the subscription of additional stock by the Secretary of the Treasury. Of the

\$100 million stock authorized, \$40 million has now been subscribed.

Budget program.—The Corporation, operating on a limited experimental basis since 1948, offers insurance to farmers in selected counties and on selected crops. The principal crops to be insured for the 1957 crop year are wheat, tobacco, corn, cotton, and multiple crops. Peach insurance will be offered in a few selected counties in 1957. The following table indicates the scope of the insurance program for the years shown:

	<i>Fiscal year 1956 (crop year 1955) actual</i>	<i>Fiscal year 1957 (crop year 1956) estimate</i>	<i>Fiscal year 1958 (crop year 1957) estimate</i>
Number of commodities insured.....	29	22	22
Number of county programs.....	888	948	1,000
Estimated insurance outstanding (\$1,000)....	310,000	306,742	401,000
Number of contracts in force.....	319,958	324,949	410,000
Number of farmers insured.....	357,000	366,000	459,000
Premiums (\$1,000).....	22,338	22,174	28,333
Indemnities (\$1,000).....	25,507	28,308	25,500
Loss ratio.....	1.14	1.28	0.90

Total indemnity payments of \$25.5 million exceeded premium income of \$22.3 million by \$3.2 million for the 1955 crop year. Because of the continuation of the severe drought, heaviest losses were paid on wheat in the southwest area where insurance coverage is extensive. Indemnity payments on wheat exceeded premium income by \$3.5 million with the greatest losses being paid in the following States: Colorado, \$5.2 million; Oklahoma, \$3.1 million; Kansas, \$3 million; and Texas, \$1.9 million.

While losses were heavy on the 1955 wheat crop in the Southwest Dust Bowl area, the experience for the 1955 crop year on beans, citrus, cotton, tobacco, flax, and soybeans was favorable with premium income exceeding indemnity payments by \$2.1 million.

The Corporation's insured liability for the 1956 crop year is \$306,700,000. Preliminary estimates indicate that again losses will be heavy in 1956. The drought which has persisted in the southwest during the past several years spread northward causing heavy wheat losses in western Kansas, and extensive losses in the corn program in Nebraska and Iowa. However, action by the Corporation, withdrawing the program from 14 counties in Colorado, Oklahoma, and Texas for the 1956 program, has limited the losses which otherwise would have been incurred, as growing conditions in these counties are similar this year to what they were last, and it is anticipated that crop losses will again be heavy.

The Corporation is continuing its policy of program revision which was begun in 1954, to limit the acceptance of new business when it appears that greater than normal risk will be incurred. For the 1956 crop year acceptance of new business was terminated from 2 to 12 weeks in advance of established closing dates in 50 counties. Similar action has also been taken in 55 counties where the 1957 wheat program is in effect.

In addition, the inauguration of new county programs will be very restricted in areas where participation is now concentrated or where it is felt that drought conditions will adversely affect the quality of risk.

Appropriations of up to \$12 million for any fiscal year are authorized for operating and administrative expenses of the Corporation. These annual appropriations are presented elsewhere in the budget. For 1957 direct costs of loss adjusters, as well as operating and administrative expenses not to exceed \$2 million, are being paid from premium income. The 1958 budget proposes to continue to finance these costs in this manner.

Financing the budget program.—No new budgetary authorization is required for 1958, despite an anticipated net loss for 1958 of \$350,000 which will reduce the net capital of \$19.2 million estimated to be available at the beginning of the year.

Operating results.—Income for 1958 is estimated to increase to \$28.4 million. Indemnities and expenses for 1958 are estimated at \$28.8 million, which is \$2.6 million less than 1957. The deficit as of June 30, 1956, was \$11.7 million. The net result of an estimated loss of \$9.1 million for 1957 and \$400,000 for 1958 would increase the deficit to \$21 million and decrease net capital to \$19 million.

Budget receipts and expenditures for 1958 are estimated to be approximately the same, as compared to net expenditures of \$7 million estimated for 1957 and \$3.2 million actual in 1956.

Administrative and operating expenses of \$200,000 was charged to premium income in 1956 and it is estimated that \$2 million will be charged in 1957 and 1958.

It is anticipated that the estimated deficit as of June 30, 1958, will be liquidated by earnings in subsequent years.

The following table summarizes the insurance operations for 1956, 1957, and 1958.

SUMMARY OF INSURANCE OPERATIONS—NET PROFIT OR LOSS (—) BY COMMODITIES

(Fiscal years ending June 30, 1956, 1957, and 1958)

	1956 actual		1957 estimate (1956 crop year)	1958 estimate (1957 crop year)
	Prior year ad- justments	1955 crop year		
Barley.....			\$61,000	\$48,000
Beans.....	\$2,793	\$46,002	7,000	16,000
Citrus.....	679	90,597	100,000	26,000
Corn.....	5,320	—645,024	—6,620,000	199,000
Cotton.....	4,565	195,654	465,000	276,000
Flax.....	6,994	159,353	278,000	70,000
Multiple crops.....	16,655	—1,197,265	—804,000	588,000
Peaches.....				6,000
Soybeans.....		7,610	9,000	9,000
Tobacco.....	15,247	1,643,714	1,379,000	325,000
Wheat.....	34,060	—3,468,934	—1,009,000	1,270,000
Premium surplus or deficit (—).....	\$6,313	—3,168,293	—6,134,000	2,833,000
Other expenses (—) net.....		—135,581	—122,000	—183,000
Program surplus or deficit (—).....		—3,217,561	—6,256,000	2,650,000
Direct cost of loss adjusters (—).....		—534,232	—850,000	—1,000,000
Administrative expenses charge- able to premium income (—).....		—221,749	—2,000,000	—2,000,000
Net loss (—).....		—3,973,542	—9,106,000	—350,000

SUMMARY OF INSURANCE OPERATIONS AND ADMINISTRATIVE EXPENSES

	1956 actual	1957 estimate	1958 estimate
Program surplus or deficit (—).....	—\$3,217,561	—\$6,256,000	\$2,650,000
Administrative costs:			
Appropriated funds.....	6,209,985	6,210,000	7,300,000
Capital and insurance funds.....	221,749	2,000,000	2,000,000
Loss adjustment costs.....	534,232	850,000	1,000,000
Total deficit (—).....	—10,183,527	—15,316,000	—7,650,000

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION

	1956 actual	1957 estimate	1958 estimate
Income earned.....	\$22,410,313	\$22,274,000	\$28,433,000
Indemnities and expense incurred.....	26,383,855	31,380,000	28,783,000
Net loss (—).....	—3,973,542	—9,106,000	—350,000
Assets:			
Cash.....	\$16,132,772	\$22,086,235	\$22,033,235
Accounts receivable (net).....	5,624,321	5,394,799	5,497,799
Total assets.....	21,757,093	27,481,034	27,531,034
Liabilities: current.....	6,462,692	8,292,633	8,692,633

REVOLVING AND MANAGEMENT FUNDS—Continued

PUBLIC ENTERPRISE FUNDS—Continued

FEDERAL CROP INSURANCE CORPORATION—Continued

Federal Crop Insurance Corporation Fund—Continued

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION—continued

	1956 actual	1957 estimate	1958 estimate
Investment of U. S. Government:			
Capital stock.....	\$27,000,000	\$40,000,000	\$40,000,000
Deficit (—).....	—11,705,599	—20,811,599	—21,161,599
Total investment of U. S. Government.....	15,294,401	19,188,401	18,838,401

NOTE.—Excludes contingent liabilities representing actual and estimated insurance coverage on 1955, 1956, 1957, and 1958 crops in the following amounts: June 30, 1955, \$309,847,000; 1956, \$306,742,000; 1957, \$401,000,000; 1958, \$443,000,000.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Full-time equivalent of all other positions.....	92	137	161
Average number of all employees.....	92	137	161
Number of employees at end of year.....	0	0	0
01 Personal services: Positions other than permanent.....	\$336,815	\$526,300	\$619,200
02 Travel.....	190,681	313,200	368,400
07 Other contractual services: Agents' commissions.....	221,749	2,000,000	2,000,000
13 Refunds, awards, and indemnities.....	25,404,874	28,308,000	25,500,000
15 Taxes and assessments.....	6,736	10,500	12,400
Undistributed.....	238,480	222,000	283,000
Total obligations.....	26,399,335	31,380,000	28,783,000

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE			
Subscription to capital stock.....		\$13,000,000	
Receipts from operations: Insurance operations:			
Insurance premiums.....	\$22,322,894	22,174,000	\$28,333,000
Interest and other income.....	87,419	100,000	100,000
Decrease in selected working capital other than cash.....	998,769	2,637,463	114,000
Total receipts from operations.....	23,409,082	24,911,463	28,547,000
Balance brought forward:			
Unobligated.....	19,267,943	15,294,401	19,188,401
Obligated.....	38,459	838,371	2,897,834
Total budget authorizations and receipts available.....	42,715,484	54,044,235	50,633,235
EXPENDITURES AND BALANCES			
Gross budget expenditures:			
Indemnities.....	25,404,874	28,308,000	25,500,000
Loss adjustment and inspection cost.....	534,232	850,000	1,000,000
Chargeoff of premiums and other receivables.....	421,857	800,000	100,000
Administrative expenses charged to program operations.....	221,749	2,000,000	2,000,000
Total gross budget expenditures.....	26,582,712	31,958,000	28,600,000
Balance carried forward:			
Unobligated.....	15,294,401	19,188,401	18,838,401
Obligated.....	838,371	2,897,834	3,194,834
Total expenditures and balances.....	42,715,484	54,044,235	50,633,235
BUDGET EXPENDITURES			
Gross budget expenditures.....	26,582,712	31,958,000	28,600,000
Receipts from operations.....	23,409,082	24,911,463	28,547,000
Net budget expenditures.....	3,173,630	7,046,537	53,000
Distribution of net budget expenditures:			
Out of current authorizations.....		13,000,000	
Out of balances of the fund.....	3,173,630	—5,953,463	53,000

STATUS OF CERTAIN FUND BALANCES

	1955 actual	1956 actual	1957 estimate	1958 estimate
Unexpended balance:				
Cash with Treasury.....	\$19,306,402	\$16,132,772	\$22,086,235	\$22,033,235
Net obligations outstanding:				
Current liabilities.....	7,388,808	6,462,692	8,292,633	8,692,633
Accounts receivable (net) and cash on hand and in transit (—).....	—7,350,349	—5,624,321	—5,394,799	—5,497,799
Net obligations outstanding.....	38,459	838,371	2,897,834	3,194,834
Unobligated portion of certain fund balances.....	19,267,943	15,294,401	19,188,401	18,838,401

FARMERS' HOME ADMINISTRATION

Disaster Loans, Etc., Revolving Fund, Department of Agriculture

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by Activities			
Loan commitments:			
Production emergency loans.....	\$37,138,617	\$30,000,000	\$26,000,000
Economic emergency loans.....	23,081,547	12,000,000	7,000,000
Special livestock loans.....	13,329,201	10,000,000	5,000,000
Special emergency loans.....	13,411,337	12,000,000	12,000,000
Other loans.....	81,475	100,000	50,000
Total loan commitments.....	87,042,177	64,100,000	50,050,000
Judgments and collateral acquired.....	16,370	49,000	55,300
Emergency feed and seed assistance.....	124,060	9,701,000	
Administrative expense.....	3,868,935	5,625,000	3,670,000
Other expense.....	142,595	270,389	144,550
Total program (obligations).....	91,194,137	79,745,389	53,919,850
Financing			
Amounts becoming available:			
Principal collections on loans.....	81,578,160	84,960,000	69,126,000
Interest income from loans.....	4,124,623	4,200,000	3,450,000
Sale of assets and other income.....	65,491	102,200	104,150
Cancellation of prior year obligations.....	1,705,384		
Total amounts becoming available.....	87,473,658	89,262,200	72,680,150
Unobligated balance brought forward.....	44,136,626	40,416,147	39,932,958
Total amounts available.....	131,610,284	129,678,347	112,613,108
Unobligated balance transferred to schedule for "Disaster loan, etc., revolving fund, Department of Agriculture" under the head "Proposed for later transmission" at the end of this chapter.....		—10,000,000	
Unobligated balance carried forward.....	—40,416,147	—39,932,958	—58,693,258
Financing applied to program.....	91,194,137	79,745,389	53,919,850

This fund finances loans to farmers and stockmen in the event of disasters and other emergencies, in areas where agricultural credit is not readily available. The fund is also used to provide emergency assistance in furnishing feed and seed, including hay and roughage, in areas suffering major disasters. It was created by the transfer of the assets of the Regional Agricultural Credit Corporation of Washington which was abolished.

Budget program—1. Production emergency loans.—Loans are made to farmers and stockmen suffering production disasters at 3 percent interest when agricultural credit is not readily available from other sources. The \$30 million estimate for 1957 is \$7.1 million lower than 1956, and is due to an apparently reduced need for this type of assistance. The estimate for 1958 of \$26 million is \$4 million lower than the 1957 estimate.

2. *Economic emergency loans.*—Loans are made at 3 percent interest in any economic disaster area declared by the President, if agricultural credit cannot be met temporarily by regularly established lending institutions. Loans are estimated at \$7 million in 1958, as compared with \$12 million estimated in 1957 and \$23 million actual in 1956.

3. *Special livestock loans.*—For 4 years after July 14, 1953, loans may be made at 5 percent interest to established livestock producers who are temporarily unable to get credit from recognized lenders and who have a reasonable chance of working out their difficulties with supplementary financing. Supplemental loans may be made for an additional 2 years after July 14, 1957, to individuals already indebted. The estimate for 1957 is \$10 million. The 1958 estimate is \$5 million, a decrease of \$8.3 million from the 1956 actual and \$5 million from the 1957 estimate.

4. *Special emergency loans.*—Special emergency loans up to a total of \$65 million may be made up to June 30, 1959 in areas where the Secretary finds a need for credit which cannot be met through other means. The estimates for 1957 and 1958 are \$12 million each, \$1.4 million lower than 1956.

5. *Other loans.*—Loans at 5 percent interest may be made to bona fide fur farmers until June 30, 1958, where necessary to protect the Government's interest in existing loans which had been made by the Regional Agricultural Credit Corporation or other authorities.

6. *Emergency feed and seed assistance.*—Feed for livestock and seed for planting to established farmers, ranchers, and stockmen are furnished in areas which have been determined by the President to warrant assistance because of a major disaster. Programs were conducted in 1956 and are being continued in 1957.

Administrative expenses.—These costs are attributable to the activities of the Farmers' Home Administration, the Commodity Stabilization Service, and the Office of the General Counsel, and are estimated to be \$3.7 million in 1958, which is a reduction of \$1.9 million from 1957 and an increase of \$200,000 above 1956.

Financing the budget program.—No new budgetary authorization is required for 1958. Although a net loss of \$2.4 million is estimated on an accrual basis, net receipts of \$18.1 million are anticipated on a cash basis.

During 1958, the program is wholly financed by receipts from operations and, in addition, the balance of prior year authorization available at the end of the fiscal year to finance future years' programs will increase by \$18.8 million to \$58.7 million.

Operating results.—Income for 1958, consisting principally of interest on loans, is estimated at \$3.4 million, compared to expenses of \$5.8 million, resulting in an estimated loss of \$2.4 million. Net loss of \$24.1 million is estimated for 1957, and a net income of \$1.7 million resulted in 1956. The 1957 loss results principally from assistance to States under the hay and roughage program.

Loans receivable, after allowance for losses, are expected to amount to \$65.7 million on June 30, 1958, as compared with \$86.5 million at June 30, 1957, and \$109.1 million on June 30, 1956.

Financial condition.—The Government's investment at June 30, 1958 is expected to be \$125.3 million, consisting of \$205.9 million appropriated and donated, less a deficit of \$80.6 million.

Proposed supplemental estimate.—It is proposed that a supplemental estimate will be submitted to Congress in 1957. The details on this proposal are shown at the end of this chapter under "Proposed for later transmission."

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION

	1956 actual	1957 estimate	1958 estimate
Income earned.....	\$4, 143, 784	\$4, 203, 200	\$3, 444, 850
Expense incurred.....	2, 418, 372	28, 340, 130	5, 794, 550
Net income or loss (—).....	1, 725, 412	—24, 136, 930	—2, 349, 700
Assets:			
Cash with Treasury.....	\$37, 706, 925	\$37, 674, 044	\$55, 830, 644
Accounts receivable (net).....	4, 947, 777	3, 403, 914	3, 012, 614
Other current assets.....	17, 212		
Loans receivable (net).....	109, 105, 377	86, 457, 618	65, 719, 618
Other assets (net).....	139, 063	190, 813	248, 813
Total assets.....	151, 916, 354	127, 756, 389	125, 411, 699
Liabilities: Current.....	168, 035	145, 000	150, 000
Investment of U. S. Government:			
Principal of the fund.....	205, 858, 145	205, 858, 145	205, 858, 145
Deficit (—).....	—54, 109, 826	—78, 246, 756	—80, 596, 456
Total investment of U. S. Government.....	151, 748, 319	127, 611, 389	125, 261, 689

OBLIGATIONS BY OBJECTS

FARMERS' HOME ADMINISTRATION			
Total number of permanent positions.....	416	505	505
Full-time equivalent of all other positions.....	254	397	223
Average number of all employees.....	666	893	712
Number of employees at end of year.....	634	705	700
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 509	\$4, 533	\$4, 545
Average grade.....	GS-5.3	GS-5.4	GS-5.4
01 Personal services:			
Permanent positions.....	\$1, 867, 500	\$2, 255, 600	\$2, 226, 650
Positions other than permanent.....	848, 253	1, 070, 528	830, 000
Regular pay above 52-week base.....	10, 318		11, 600
Payment above basic rates.....	5, 461	5, 000	5, 000
Other payments for personal services.....	505		
Total personal services.....	2, 732, 037	3, 331, 128	3, 073, 250
02 Travel.....	351, 350	631, 472	394, 400
04 Communication services.....	1, 979	2, 000	2, 000
06 Printing and reproduction.....	4, 190	5, 000	5, 000
07 Other contractual services.....	6, 300	7, 400	7, 400
08 Supplies and materials.....	4, 997	5, 000	5, 000
11 Grants, subsidies, and contributions.....		9, 701, 000	
Contribution to retirement fund.....			138, 350
15 Taxes and assessments.....	15, 559	18, 000	18, 000
16 Investments and loans.....	87, 042, 177	64, 100, 000	50, 050, 000
Undistributed charges.....	158, 965	319, 389	199, 850
Total, Farmers' Home Administration.....	90, 317, 554	78, 120, 389	53, 893, 250
ALLOTMENT TO COMMODITY STABILIZATION SERVICE			
Total number of permanent positions.....	33	31	
Average number of all employees.....	29	31	
Number of employees at end of year.....	33	31	
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 524	\$4, 578	
Average grade.....	GS-5.4	GS-5.4	
01 Personal services:			
Permanent positions.....	\$180, 403	\$191, 417	
Regular pay above 52-week base.....	265		
Total personal services.....	180, 668	191, 417	
02 Travel.....	79, 750	93, 588	
03 Transportation of things.....	242	301	
04 Communication services.....	2, 242	1, 182	
05 Rents and utility services.....	315	176	
06 Printing and reproduction.....	478	412	
07 Other contractual services.....	124, 060		
Advanced to—			
“Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture” (7 U. S. C. 1388).....	330, 100	1, 001, 886	
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938” (7 U. S. C. 1392).....	132, 000	310, 000	
Other.....	899	435	
08 Supplies and materials.....	912	430	
09 Equipment.....	229	39	
13 Refunds, awards, and indemnities.....	93	25	
15 Taxes and assessments.....	283	109	
Total, Commodity Stabilization Service.....	852, 271	1, 600, 000	
ALLOTMENT TO OFFICE OF THE GENERAL COUNSEL			
Total number of permanent positions.....	4	4	4
Average number of all employees.....	4	4	4

REVOLVING AND MANAGEMENT FUNDS—Continued

PUBLIC ENTERPRISE FUNDS—Continued

FARMERS' HOME ADMINISTRATION—Continued

Disaster Loans, Etc., Revolving Fund, Department of Agriculture—Con.

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
ALLOTMENT TO OFFICE OF THE GENERAL COUNSEL—continued			
Number of employees at end of year.....	4	4	4
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,770	\$6,813	\$6,888
Average grade.....	GS-8.5	GS-8.5	GS-8.5
01 Personal services:			
Permanent positions.....	\$24,124	\$24,500	\$24,500
Regular pay above 52-week base.....	104		105
Total personal services.....	24,228	24,500	24,605
02 Travel.....		400	295
07 Other contractual services.....	84	100	100
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			1,600
Total, Office of the General Counsel.....	24,312	25,000	26,600
Total obligations.....	91,194,137	79,745,389	53,919,850

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE			
Receipts from operations:			
Collection of loans.....	\$81,578,160	\$84,960,000	\$69,126,000
Interest income.....	4,124,623	4,200,000	3,450,000
Sale of assets and other income.....	65,491	102,200	104,150
Adjustment of prior year expenses.....	902,000		
Decrease in selected working capital.....	866,051	1,329,151	
Total receipts from operations.....	87,536,325	90,591,351	72,680,150
Balance brought forward:			
Unobligated.....	44,136,626	40,416,147	39,932,958
Obligated.....	-3,636,712	-2,709,222	-2,258,914
Total budget authorizations and receipts available.....	128,036,239	128,298,276	110,354,194
EXPENDITURES AND BALANCES			
Gross budget expenditures:			
Loan program: Loans disbursed.....	86,322,603	65,187,732	50,450,000
Judgments and collateral acquired.....	16,370	49,000	55,300
Emergency feed and feed assistance.....	124,060	9,701,000	
Administrative expense.....	3,834,435	5,625,000	3,670,000
Other expense.....	31,846	61,500	86,000
Increase in working capital.....			262,250
Total gross budget expenditures.....	90,329,314	80,624,232	54,523,550
Unobligated balance transferred to schedule for "Disaster Loan, etc. Revolving Fund, Department of Agriculture" under the head "Proposed for later transmission" at the end of this chapter.....		10,000,000	
Balance carried forward:			
Unobligated.....	40,416,147	39,932,958	58,693,258
Obligated.....	-2,709,222	-2,258,914	-2,862,614
Total expenditures and balances.....	128,036,239	128,298,276	110,354,194
BUDGET EXPENDITURES			
Gross budget expenditures.....	90,329,314	80,624,232	54,523,550
Receipts from operations.....	87,536,325	90,591,351	72,680,150
Net budget expenditures (out of receipts and balances of the fund).....	2,792,989	-9,967,119	-18,156,600

STATUS OF CERTAIN FUND BALANCES

	1955 actual	1956 actual	1957 estimate	1958 estimate
Unexpended balance:				
Cash with Treasury.....	\$40,499,914	\$37,706,925	\$37,674,044	\$55,830,644
Net obligations outstanding:				
Current liabilities.....	283,222	168,035	145,000	150,000
Obligations other than liabilities: Undisbursed loan commitments.....	2,135,734	2,070,520	1,000,000	600,000

STATUS OF CERTAIN FUND BALANCES—continued

	1955 actual	1956 actual	1957 estimate	1958 estimate
Unexpended balance—Continued				
Accounts receivable (net), cash on hand and in transit and refunds due (—).....	-\$6,055,668	-\$4,947,777	-\$3,403,914	-\$3,612,614
Net obligations outstanding.....	-3,636,712	-2,709,222	-2,258,914	-2,862,614
Unobligated portion of certain fund balances.....	44,136,626	40,416,147	39,932,958	58,693,258

Farm Tenant-Mortgage Insurance Fund, Department of Agriculture

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by Activities			
Loan commitments:			
For payment of delinquent installments.....	\$708,398	\$900,000	\$1,400,000
For other advances.....	58,886	70,000	120,000
Purchase of loans from lenders.....	2,305,778	8,110,000	11,215,000
Collateral acquired by default.....	15,450		
Expense:			
Administrative expense.....	420,000	550,000	830,000
Costs incident to acquired real estate.....	3,209	2,000	3,000
Total operational program.....	3,511,721	9,632,000	13,568,000
Interest on borrowings from Treasury.....	209	60,000	280,000
Total program (obligations).....	3,511,930	9,692,000	13,848,000
Financing			
Amounts becoming available:			
Authorization to expend from debt receipts.....	100,000	6,885,000	9,850,000
Repayments of advances for borrowers.....	488,505	650,000	750,000
Repayments of loans held by fund.....	12,160	100,000	200,000
Proceeds from sale of loans to lenders.....	286,920	400,000	800,000
Proceeds from sale of acquired real estate.....	69,542	150,000	170,000
Insurance premiums.....	1,427,226	1,700,000	2,000,000
Interest income.....	59,440	200,000	350,000
Fees and other income.....	74,918	90,000	95,000
Total amounts becoming available.....	2,518,711	10,175,000	14,215,000
Unobligated balance brought forward.....	2,705,041	1,711,822	2,194,822
Total amounts available.....	5,223,752	11,886,822	16,409,822
Unobligated balance carried forward.....	-1,711,822	-2,194,822	-2,561,822
Financing applied to program.....	3,511,930	9,692,000	13,848,000

This fund relates to insured farm ownership loans and soil and water conservation loans. The initial fund of \$1 million is supplemented by charges collected from insured farm ownership and soil and water conservation loan borrowers, inspection and appraisal fees, and other charges. Receipts are available for administrative expenses and to cover losses.

Budget program.—Advances and purchases of loans are estimated at \$12.6 million in 1958, an increase of \$3.6 million over 1957 and \$9.6 million over 1956. Outstanding loans insured on June 30, 1956, totaled \$135,321,350 and are estimated at \$157,695,000 on June 30, 1957, and \$172,395,000 on June 30, 1958. The insurance endorsement on each loan includes an agreement by the Government to purchase the loan after a specified period at the holder's option.

Financing the budget program.—No new budgetary authorization is required for 1957 or 1958. In order to finance the purchase of loans becoming eligible for redemption under the repurchase agreements, it will be necessary to utilize the statutory authorization (7 U. S. C. 1005C)

to borrow from the Treasury in gross amounts of \$7,035,000 in 1957 and \$10,100,000 in 1958.

Operating results and retained earnings.—Total income, consisting principally of insurance premiums, is estimated at \$2.5 million in 1958, an increase of about \$900,000 from 1956. Expenses are expected to increase by slightly less than this amount, resulting in increased net income of about \$200,000.

The necessity to purchase loans is expected to result in outstanding loans receivable of \$21.2 million at June 30, 1958. In the current investment market, there is little likelihood that any substantial volume of these loans can be sold. Retained earnings, which are for absorption of any future losses, are estimated to be \$6.4 million at the end of 1958. These earnings, when added to the \$1 million appropriation and estimated borrowings of \$16.8 million from the Treasury, represent a \$24.2 million investment of the Government.

CONDENSED STATEMENT OF INCOME AND EXPENSES AND FINANCIAL CONDITION

	1956 actual	1957 estimate	1958 estimate
Operating program:			
Income earned.....	\$1,561,584	\$1,990,000	\$2,445,000
Expense incurred.....	463,855	655,000	1,163,000
Net income.....	1,097,729	1,335,000	1,282,000
Assets:			
Cash.....	\$603,430	\$837,724	\$895,724
Accounts receivable.....	1,194,898	1,467,098	1,881,098
Loans receivable.....	2,854,797	10,569,031	21,235,031
Other assets.....	219,860	214,237	208,237
Total assets.....	4,872,985	13,088,090	24,220,090
Liabilities: Current.....	4,895		
Investment of U. S. Government:			
Borrowing from Treasury.....	100,000	6,985,000	16,835,000
Appropriation.....	1,000,000	1,000,000	1,000,000
Retained earnings.....	3,768,090	5,103,090	6,385,090
Total investment of U. S. Government.....	4,868,090	13,088,090	24,220,090

NOTE.—This statement excludes contingent liabilities for principal amounts of insured loans as follows: June 30, 1956, \$135,321,350; 1957, \$157,695,000; and 1958, \$172,395,000.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
07 Other contractual services.....	\$420,000	\$550,000	\$830,000
14 Interest.....	209	60,000	250,000
16 Investments and loans.....	3,073,062	9,080,000	12,735,000
Undistributed charges.....	18,659	2,000	3,000
Total obligations.....	3,511,930	9,692,000	13,848,000

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE			
Authorization to expend from debt receipts.....	\$100,000	\$6,885,000	\$9,850,000
Receipts from operations:			
Repayments on advances to borrowers.....	488,505	650,000	750,000
Proceeds from sale of loans to lenders.....	286,920	400,000	800,000
Payments on loans held by fund.....	12,160	100,000	200,000
Proceeds from sale of acquired real estate.....	69,542	150,000	170,000
Insurance premiums.....	1,427,226	1,700,000	2,000,000
Interest income.....	59,440	200,000	350,000
Fees and other income.....	74,918	90,000	95,000
Total receipts from operations.....	2,418,711	3,290,000	4,365,000
Balance brought forward:			
Unobligated.....	2,705,041	1,711,822	2,194,822
Obligated.....	-791,810	-1,108,392	-1,357,098
Total budget authorizations and receipts available.....	4,431,942	10,778,430	15,052,724
EXPENDITURES AND BALANCES			
Gross budget expenditures:			
Advances on behalf of borrowers:			
For payment of delinquent installments.....	708,398	900,000	1,400,000
For other advances.....	58,886	70,000	120,000
Purchase of loans from lenders.....	2,224,167	8,081,611	11,110,000
Acquired real estate.....	15,450		
Administrative expense.....	420,000	550,000	830,000

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES—CON.

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES—CON.			
Gross budget expenditures—Continued			
Costs incident to acquired real estate.....	\$3,279	\$2,000	\$3,000
Interest on borrowings from Treasury.....	209	60,000	280,000
Increase in working capital other than cash.....	398,123	277,095	414,000
Total gross budget expenditures.....	3,828,512	9,940,706	14,157,000
Balance carried forward:			
Unobligated.....	1,711,822	2,194,822	2,561,822
Obligated.....	-1,108,392	-1,357,098	-1,666,098
Total expenditures and balance.....	4,431,942	10,778,430	15,052,724
BUDGET EXPENDITURES			
Gross budget expenditures.....	3,828,512	9,940,706	14,157,000
Receipts from operations.....	2,418,711	3,290,000	4,365,000
Net budget expenditures.....	1,409,801	6,650,706	9,792,000
Distribution of net budget expenditures:			
Out of prior authorization (authorization to expend from debt receipts).....	100,000	6,885,000	9,850,000
Out of balances of the fund.....	1,309,801	-234,294	-58,000

STATUS OF CERTAIN FUND BALANCES

	1955 actual	1956 actual	1957 estimate	1958 estimate
Unexpended balance:				
Cash with Treasury and in banks.....	\$663,231	\$603,430	\$837,724	\$895,724
Investment in U. S. securities.....	1,250,000			
Total unexpended balance.....	1,913,231	603,430	837,724	895,724
Net obligations outstanding:				
Current liabilities.....		4,895		
Obligations other than liabilities: Undisbursed commitments to purchase loans.....	70	81,611	110,000	215,000
Deferred and undistributed credits.....	15,719			
Accounts receivable (net) and cash in transit (—).....	-807,599	-1,194,898	-1,467,098	-1,881,098
Net obligations outstanding.....	-791,810	-1,108,392	-1,357,098	-1,666,098
Unobligated portion of certain fund balances.....	2,705,041	1,711,822	2,194,822	2,561,822

POSITION WITH RESPECT TO INSURANCE AUTHORITY

	1956 actual	1957 estimate	1958 estimate
Annual mortgage insurance authority.....	\$125,000,000	\$150,000,000	\$150,000,000
Charges against mortgage insurance authority during year:			
Mortgages insured.....	38,580,419	31,500,000	33,500,000
Commitments to insure pending advances by lenders.....	11,774,110	6,000,000	4,000,000
Mortgages accepted for the account of the fund (net).....	477,996	600,000	700,000
Total charges against authority.....	50,832,525	38,100,000	38,200,000
Unused insurance authority.....	74,167,475	111,900,000	111,800,000

INTRAGOVERNMENTAL FUNDS

AGRICULTURAL RESEARCH SERVICE

Working Capital Fund, Agricultural Research Center, Agricultural Research Service

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by Activities			
Maintenance and operation of central facilities and services:			
Purchase of equipment.....	\$32,221	\$30,000	\$27,500
Purchase of materials.....	766,870	723,947	731,000
Other expense.....	1,859,418	1,906,000	1,979,500
Total program (obligations).....	2,658,509	2,659,947	2,738,000

REVOLVING AND MANAGEMENT FUNDS—Continued

INTRAGOVERNMENTAL FUNDS—Continued

AGRICULTURAL RESEARCH SERVICE—Continued

Working Capital Fund, Agricultural Research Center, Agricultural Research Service—Continued

PROGRAM AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Financing			
Amounts becoming available:			
Sale of goods and services.....	\$2,624,232	\$2,654,000	\$2,727,000
Other income.....	11,910	12,000	12,000
Sale of fixed assets.....	1,453	2,500	1,500
Donated working capital.....	1,327		
Adjustment of prior year income.....	17,869		
Total amounts becoming available.....	2,656,791	2,668,500	2,740,500
Unobligated balance brought forward.....	265,936	264,218	272,771
Total amounts available.....	2,922,727	2,932,718	3,013,271
Unobligated balance carried forward.....	264,218	272,771	275,271
Financing applied to program.....	2,658,509	2,659,947	2,738,000

This fund finances, on a reimbursable basis, central facilities and services furnished to agencies at the Agricultural Research Center (64 Stat. 658). The capital consists of \$300,000 appropriated in 1951 and donated assets of \$203,419 as of June 30, 1956.

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION

	1956 actual	1957 estimate	1958 estimate
Income earned.....	\$2,636,142	\$2,666,000	\$2,739,000
Expense incurred.....	2,619,600	2,697,871	2,749,000
Net nonoperating income or loss (—).....	323	—500	500
Net income or loss (—).....	16,865	—32,371	—9,500
ANALYSIS OF RETAINED EARNINGS			
Retained earnings, beginning of year.....	36,671	71,405	39,034
Adjustment of prior year income.....	17,869		
Retained earnings, end of year.....	71,405	39,034	29,534
Assets:			
Cash.....	\$322,047	\$305,945	\$308,445
Accounts receivable.....	419,782	425,000	420,000
Other current assets.....	80,871	75,000	75,000
Fixed assets (net).....	158,682	146,182	134,682
Total assets.....	981,382	952,127	938,127
Liabilities: Current.....	406,558	408,174	403,174
Investment of U. S. Government:			
Principal of fund.....	503,419	504,919	505,419
Retained earnings.....	71,405	39,034	29,534
Total investment of U. S. Government.....	574,824	543,953	534,953

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	346	354	347
Full-time equivalent of all other positions.....	58	56	58
Average number of all employees.....	394	400	395
Number of employees at end of year.....	404	410	405
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	\$5,262
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3,829	\$3,911	\$3,909
01 Personal services:			
Permanent positions.....	\$1,357,836	\$1,420,000	\$1,400,000
Positions other than permanent.....	144,901	148,000	148,000
Regular pay above 52-week base.....	5,067		6,000
Payment above basic rates.....	29,329	32,000	32,000
Excess of annual leave earned over leave taken.....	18,890		
Total personal services.....	1,556,023	1,600,000	1,586,000
02 Travel.....		500	500
03 Transportation of things.....	41,263	42,000	42,000
04 Communication services.....	94,319	95,000	95,000
05 Rents and utility services.....	137,955	138,000	138,000
06 Printing and reproduction.....	1,475	1,500	1,500

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
07 Other contractual services.....	\$24,513	\$25,000	\$25,000
08 Supplies and materials.....	766,870	723,947	731,000
09 Equipment.....	32,221	30,000	27,500
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			87,500
15 Taxes and assessments.....	3,870	4,000	4,000
Total obligations.....	2,658,509	2,659,947	2,738,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements:			
Sale of goods and services.....	\$2,624,232	\$2,654,000	\$2,727,000
Other income.....	11,910	12,000	12,000
Sale of fixed assets.....	1,453	2,500	1,500
Donated working capital.....	1,327		
Adjustment of prior year income.....	17,869		
Decrease in selected working capital.....	20,390		
Total advances and reimbursements.....	2,677,181	2,668,500	2,740,500
Balance brought forward:			
Unobligated.....	265,936	264,218	272,771
Obligated.....	—20,183	57,829	33,174
Total budget authorizations available.....	2,922,934	2,990,547	3,046,445
EXPENDITURES AND BALANCES			
Gross expenditures:			
Purchase of equipment.....	11,812	25,000	25,000
Purchase of materials.....	729,657	750,000	733,500
Other expense.....	1,859,418	1,906,000	1,979,500
Increase in selected working capital.....		3,602	
Total gross expenditures.....	2,600,887	2,684,602	2,738,000
Balance carried forward:			
Unobligated.....	264,218	272,771	275,271
Obligated.....	57,829	33,174	33,174
Total expenditures and balances.....	2,922,934	2,990,547	3,046,445
BUDGET EXPENDITURES			
Gross expenditures.....	2,600,887	2,684,602	2,738,000
Advances and reimbursements.....	2,677,181	2,668,500	2,740,500
Budget expenditures (out of balances of the fund).....	—76,294	16,102	—2,500

STATUS OF CERTAIN FUND BALANCES

	1955 actual	1956 actual	1957 estimate	1958 estimate
Unexpended balance:				
Cash with Treasury.....	\$245,753	\$322,047	\$305,945	\$308,445
Net obligations outstanding:				
Current liabilities.....	410,477	406,558	408,174	403,174
Obligations other than liabilities.....	13,430	71,053	50,000	50,000
Accounts receivable (net) (—).....	—444,090	—419,782	—425,000	—420,000
Net obligations outstanding.....	—20,183	57,829	33,174	33,174
Unobligated portion of certain fund balances.....	265,936	264,218	272,771	275,271

Advances and Reimbursements, Agricultural Research Service

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Research.....	\$284,855	\$665,071	\$513,746
2. Plant and animal disease and pest control.....	545,267	564,500	582,500
3. Meat inspection.....	6,241,340	6,000,000	6,100,000
4. Miscellaneous services to other accounts.....	515,692	669,369	682,768
Total obligations.....	7,587,154	7,898,940	7,879,014

OPERATIONS AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Financing:			
Unobligated balance brought forward.....	\$100		
Advances and reimbursements from—			
Other accounts.....	2,002,874	\$2,503,560	\$2,437,534
Non-Federal sources.....	5,584,180	5,395,380	5,441,480
Total financing.....	7,587,154	7,898,940	7,879,014

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sales of charts (7 U. S. C. 1387) and personal property (40 U. S. C. 481 (c)), from payments by non-Federal agencies for overtime work and travel performed at meat-packing establishments and veterinary biological establishments and for animal and plant quarantine inspection (5 U. S. C. 576; 7 U. S. C. 394, 396), from cooperating State, county, municipal, and private organizations for soil and water conservation work (16 U. S. C. 590a), and from refunds of terminal leave payments (5 U. S. C. 61 (b)).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	7	54	38
Full-time equivalent of all other positions.....		3	3
Average number of all employees.....	487	545	522
Number of employees at end of year.....	7	68	80
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	\$5,262
Average grade.....	GS-7.0	GS-7.0	GS-7.2
01 Personal services:			
Permanent positions.....	\$2,632,245	\$2,938,252	\$2,808,846
Positions other than permanent.....	443	7,500	6,812
Regular pay above 52-week base.....	8,720		15,780
Payment above basic rates.....	4,640,737	4,493,200	4,493,162
Other payments for personal services.....	100		
Total personal services.....	7,282,245	7,438,952	7,324,600
02 Travel.....	37,331	50,600	47,100
03 Transportation of things.....	7,628	8,600	8,400
04 Communication services.....	11,410	14,900	13,400
05 Rents and utility services.....	21,728	25,900	23,800
06 Printing and reproduction.....	22,218	27,300	27,300
07 Other contractual services.....	66,408	84,468	86,468
Services performed by other agencies.....	13,409	64,400	29,500
08 Supplies and materials.....	39,304	91,320	75,946
09 Equipment.....	80,464	90,200	90,100
10 Lands and structures.....	869		
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			146,100
15 Taxes and assessments.....	4,140	2,300	6,300
Total obligations.....	7,587,154	7,898,940	7,879,014

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$7,587,054	\$7,898,940	\$7,879,014
Balance brought forward:			
Unobligated.....	100		
Obligated.....	238		
Restored from certified claims account.....		814	
Total budget authorizations available.....	7,587,392	7,899,754	7,879,014
EXPENDITURES AND BALANCES			
Gross expenditures.....	7,587,392	7,899,754	7,879,014
BUDGET EXPENDITURES			
Gross expenditures.....	7,587,392	7,899,754	7,879,014
Advances and reimbursements.....	7,587,054	7,898,940	7,879,014
Budget expenditures (out of balances of the fund).....	338	814	

EXTENSION SERVICE

Advances and Reimbursements, Extension Service

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Cooperation with the Bureau of Indian Affairs on extension program with Indians.....		\$30,000	\$31,572
2. For technical assistance rendered Agricultural Stabilization and Conservation Committees in the administration of programs in Alaska.....		7,500	7,500

OPERATIONS AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Operations by activities—Continued			
3. For technical assistance to Commodity Stabilization Service on the soil bank program.....		\$2,850	
4. For technical assistance to International Cooperation Administration on 4-H Club work.....		1,919	
5. For technical assistance to Foreign Agricultural Service on livestock marketing program.....	\$5,089		
6. Cooperation between State and Federal agencies in the Great Plains area.....	1,410		
7. Miscellaneous services to other accounts.....	447		
Total obligations.....	6,946	42,269	\$39,072
Financing:			
Advances and reimbursements from—			
Other accounts.....	6,515	42,269	39,072
Non-Federal sources (40 U. S. C. 481 (e)).....	431		
Total financing.....	6,946	42,269	39,072

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....		3	3
Average number of all employees.....	1	3	3
Number of employees at end of year.....	0	3	3
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$10,065	\$7,983	\$7,983
Average grade.....	GS-13.0	GS-10.6	GS-10.7
Ungraded positions: Average salary.....	\$5,340		
01 Personal services:			
Permanent positions.....	\$6,463	\$25,844	\$24,093
Regular pay above 52-week base.....			94
Total personal services.....	6,463	25,844	24,187
02 Travel.....		6,850	4,000
03 Transportation of things.....	16	50	50
04 Communication services.....		200	200
06 Printing and reproduction.....		450	450
07 Other contractual services.....	18	85	85
Services performed by other agencies.....		75	75
08 Supplies and materials.....		120	120
09 Equipment.....	431	1,000	738
11 Grants, subsidies, and contributions:		7,500	7,500
Contribution to retirement fund.....			1,572
15 Taxes and assessments.....	18	95	95
Total obligations.....	6,946	42,269	39,072

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$6,946	\$42,269	\$39,072
EXPENDITURES AND BALANCES			
Gross expenditures.....	6,946	42,269	39,072
BUDGET EXPENDITURES			
Gross expenditures.....	6,946	42,269	39,072
Advances and reimbursements.....	6,946	42,269	39,072
Budget expenditures (out of balances of the fund).....			

Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:
 "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938."
 "Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture."

FARMER COOPERATIVE SERVICE

Advances and Reimbursements, Farmer Cooperative Service

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Research and technical assistance for farmers' cooperatives (total obligations).....	\$2,846		

REVOLVING AND MANAGEMENT FUNDS—Continued

INTRAGOVERNMENTAL FUNDS—Continued

FARMER COOPERATIVE SERVICE—Continued

Advances and Reimbursements, Farmer Cooperative Service—Con.

OPERATIONS AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Operations by activities—Continued			
2. Marketing research activities (Department of Agriculture, Agricultural Marketing Service) (total obligations).....		\$360,400	\$397,700
Financing:			
Advances and reimbursements from other accounts.....	\$2,846	360,400	397,700

OBLIGATIONS BY OBJECTS

Total number of permanent positions.....		52	55
Average number of all employees.....	1	48	51
Number of employees at end of year.....	0	50	52
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,974	\$5,746	\$5,765
Average grade.....	GS-8.0	GS-8.1	GS-8.1
01 Personal services:			
Permanent positions.....	\$2,846	\$277,800	\$287,888
Regular pay above 52-week base.....			1,112
Total personal services.....	2,846	277,800	289,000
02 Travel.....		23,000	26,000
03 Transportation of things.....		600	670
04 Communication services.....		6,800	7,600
06 Printing and reproduction.....		15,000	16,300
07 Other contractual services.....		31,400	33,700
08 Supplies and materials.....		2,100	2,300
09 Equipment.....		3,300	3,700
11 Grants, subsidies and contributions:			
Contribution to retirement fund.....			18,000
13 Refunds, awards, and indemnities.....		200	200
15 Taxes and assessments.....		200	230
Total obligations.....	2,846	360,400	397,700

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$2,846	\$360,400	\$397,700
Obligated balance brought forward.....			57,700
Total budget authorizations available.....	2,846	360,400	455,400
EXPENDITURES AND BALANCES			
Gross expenditures.....	2,846	302,700	391,000
Obligated balance carried forward.....		57,700	64,400
Total expenditures and balances.....	2,846	360,400	455,400
BUDGET EXPENDITURES			
Gross expenditures.....	2,846	302,700	391,000
Advances and reimbursements.....	2,846	360,400	397,700
Budget expenditures (out of balances of the fund).....		-57,700	-6,700

FOREST SERVICE

Working Capital Fund, Forest Service

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by Activities			
Equipment service.....		\$4,720,000	\$8,208,000
Supply service.....		1,355,000	6,390,000
Total program (obligations).....		6,075,000	14,598,000

PROGRAM AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Financing			
Amounts becoming available:			
Rental of equipment.....		\$4,500,000	\$8,000,000
Sale of supplies and services.....		1,351,000	6,400,000
Proceeds from sale of equipment.....			403,000
Selected working capital absorbed at inception.....		750,000	
Total amounts becoming available.....		6,601,000	14,803,000
Unobligated balance brought forward.....			526,000
Total amounts available.....		6,601,000	15,329,000
Unobligated balance carried forward.....		-526,000	-731,000
Financing applied to program.....		6,075,000	14,598,000

This fund is available, without fiscal year limitation, for financing, on a reimbursable basis or by advance payments in connection with firm orders, various services such as repairing and replacing equipment, stocking and issuing in support of programs of the Forest Service, supplies, and operation of photographic and reproduction facilities. These service operations serve concurrently the programs of fire protection, timber utilization, construction and maintenance of roads and other improvements, reforestation, grazing, watershed, forest and forest products research, and kindred conservation activities of the Forest Service, including cooperative assistance with other Federal agencies, States, counties, farmers, forest landowners, and others engaged in the same objectives. The principal of the fund, consisting of donated assets at its inception in 1957, is estimated to be \$18,130,000. This amount, together with earnings on a part-year basis for 1957 and the full-year net retained earnings for 1958, totaling \$99,100 represents an estimated \$18.2 million investment of the Government at the end of 1958.

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION

	1956 actual	1957 estimate	1958 estimate
Income earned.....		\$5,851,000	\$14,408,000
Expense incurred.....		5,824,500	14,335,400
Net income.....		26,500	72,600
Assets:			
Cash with Treasury.....		\$46,000	\$111,000
Accounts receivable.....		1,000,000	1,500,000
Other current assets.....		915,000	935,000
Fixed assets, net.....		16,695,500	16,483,100
Total assets.....		18,656,500	19,029,100
Liabilities: Current.....		500,000	800,000
Investment of U. S. Government:			
Principal of fund: Donated assets, net.....		18,130,000	18,130,000
Retained earnings.....		26,500	99,100
Total investment of U. S. Government.....		18,156,500	18,229,100

OBLIGATIONS BY OBJECTS

Total number of permanent positions.....		187	384
Full-time equivalent of all other positions.....		102	209
Average number of all employees.....		345	707
Number of employees at end of year.....		265	542
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$5,021	\$5,074
Average grade.....		GS-6.6	GS-6.7
Ungraded positions: Average salary.....		\$4,266	\$4,266
01 Personal services:			
Permanent positions.....		\$1,118,048	\$2,292,655
Positions other than permanent.....		307,359	630,267

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
01 Personal services—Continued			
Regular pay above 52-week base			\$8,800
Payment above basic rates		\$10,309	21,140
Other payments for personal services		844	1,730
Total personal services		1,436,560	2,954,592
02 Travel		41,020	84,115
03 Transportation of things		23,966	49,150
04 Communication services		16,141	33,100
05 Rents and utility services		36,341	74,520
06 Printing and reproduction		8,415	17,250
07 Other contractual services		179,504	221,385
Services performed by other agencies		166,082	340,350
08 Supplies and materials		2,765,283	7,130,600
09 Equipment		1,377,138	3,501,468
10 Lands and structures		20,315	41,650
11 Grants, subsidies, and contributions:			
Contribution to retirement fund			141,100
13 Refunds, awards, and indemnities		375	770
15 Taxes and assessments		4,610	9,450
Subtotal		6,075,750	14,599,500
Deduct charges for quarters and subsistence		750	1,500
Total obligations		6,075,000	14,598,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements:			
Rental of equipment		\$4,500,000	\$8,000,000
Sale of supplies and services		1,350,000	6,398,000
Other income		1,000	2,000
Proceeds from sale of equipment			403,000
Selected working capital assumed		750,000	
Total advances and reimbursements		6,601,000	14,803,000
Balance brought forward:			
Unobligated			526,000
Obligated			-480,000
Total budget authorizations available		6,601,000	14,849,000
EXPENDITURES AND BALANCES			
Gross expenditures—			
Purchase of equipment		1,705,000	3,730,000
Purchase of supplies		2,320,000	7,145,000
Direct labor		1,500,000	2,600,000
Other expense		530,000	1,063,000
Increase in selected working capital		500,000	200,000
Total gross expenditures		6,555,000	14,738,000
Balance carried forward:			
Unobligated		526,000	731,000
Obligated		-480,000	-620,000
Total expenditures and balances		6,601,000	14,849,000
BUDGET EXPENDITURES			
Gross expenditures		6,555,000	14,738,000
Advances and reimbursements		6,601,000	14,803,000
Budget expenditures (out of balances of the fund)		-46,000	-65,000

STATUS OF CERTAIN FUND BALANCES

Unexpended balance: Cash with Treasury		\$46,000	\$111,000
Net obligations outstanding:			
Current liabilities		500,000	800,000
Obligations other than liabilities: Unfilled purchase orders		20,000	80,000
Accounts receivable (-)		-1,000,000	-1,500,000
Net obligations outstanding		-480,000	-620,000
Unobligated portion of certain fund balances		526,000	731,000

Advances and Reimbursements, Forest Service

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Collection of forest products data (Department of Commerce, Bureau of the Census)	\$1,891		

OPERATIONS AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Operations by activities—Continued			
2. Investigation of applications, and construction, maintenance, and improvement of access roads to sources of raw materials (Department of Commerce, Bureau of Public Roads)	\$325		
3. Investigation and supervision of Federal Power Commission projects (Federal Power Commission)	1,296		
4. To cover costs of fire protection on certain lands under the jurisdiction of the Bureau of Land Management (Department of the Interior)	116,714		
5. For participation in a soil and moisture conservation program within the Boise National Forest (Department of the Interior, Bureau of Reclamation)	8,199		
6. To cover cost of improvement of a road leading to a fish cultural station in the White Mountain National Forest (Department of the Interior, Fish and Wildlife Service)	23,829		
7. Research in metal surfaces (National Advisory Committee for Aeronautics)	14,991		
8. For technical assistance on power-line pole problems (Rural Electrification Administration)	21,270		
9. Rental of equipment to, and repair of equipment for, other activities of Forest Service; the Departments of Agriculture, Commerce, Interior, and Defense; the Post Office Department; the Veterans Administration; the Atomic Energy Commission; and other agencies	4,830,316	\$2,913,031	
10. Supplies, materials, and equipment for sale to other activities of Forest Service; the Departments of Agriculture, Commerce, and Interior; the Post Office Department; the Atomic Energy Commission; and other agencies	1,598,524	1,052,915	
11. Construction and maintenance of roads and trails	324,841	1,524,321	\$1,524,321
12. Construction and maintenance of other improvements	112,726	273,778	273,778
13. Protection of intermingled and adjacent forest lands	180,420	195,406	195,406
14. Surveys, land appraisals, mapping, cruising timber, and preparation of timber management plans, snow scale readings, etc., on national forest and other lands	291,720	415,390	415,390
15. Fire suppression on national forest and on intermingled and adjacent lands	142,083	262,306	262,306
16. White pine blister rust control	17,564	29,800	29,800
17. Forest pest control	20,176	101,517	101,517
18. Investigations at experimental forests and ranges	65,840	103,739	103,739
19. Fire, insect, and disease investigations	8,425	53,934	53,934
20. Investigations at forest products laboratory	396,918	1,222,461	1,222,461
21. Intensification of comprehensive forest survey	18,748	5,700	5,700
22. Special economic investigations	53,908	63,350	63,350
23. Cooperation in forest fire control	15,841	22,330	22,330
24. Cooperation in forest management and processing	49,919	58,022	58,022
25. Prior year advances returned	207		
Total obligations	8,316,691	8,298,000	4,332,054
Financing:			
Unobligated balance brought forward	2,423		
Advances and reimbursements from—			
Other accounts	7,211,853	7,632,566	4,166,620
Non-Federal sources	1,104,060	665,434	165,434
Unobligated balance no longer available	-1,645		
Total financing	8,316,691	8,298,000	4,332,054

NOTE.—Reimbursements from non-Federal sources above are primarily for rental of equipment; for sale of equipment, nursery stock, supplies, and materials; and for costs of suppressing forest fires on State and private forest lands adjacent to, or intermingled with, national forests under terms of written cooperative agreements (16 U. S. C. 504a, 572, 580, 580a); sale of personal property (40 U. S. C. 481 (c)).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions	459	412	215
Full-time equivalent of all other positions	181	224	117
Average number of all employees	701	758	397
Number of employees at end of year	966	581	304

REVOLVING AND MANAGEMENT FUNDS—Continued

INTRAGOVERNMENTAL FUNDS—Continued

FOREST SERVICE—Continued

Advances and Reimbursements, Forest Service—Continued

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,074
Average grade.....	GS-6.6	GS-6.6	GS-6.7
Ungraded positions: Average salary.....	\$4,168	\$4,266	\$4,266
01 Personal services:			
Permanent positions.....	\$2,319,460	\$2,459,167	\$1,284,560
Positions other than permanent.....	571,306	676,043	353,135
Regular pay above 52-week base.....	8,330		4,900
Payment above basic rates.....	35,358	22,675	11,844
Other payments for personal services.....	3,745	1,856	970
Total personal services.....	2,938,199	3,159,741	1,655,409
02 Travel.....	84,767	90,225	47,130
03 Transportation of things.....	58,352	52,714	27,530
04 Communication services.....	34,630	35,504	18,545
05 Rents and utility services.....	91,576	79,934	41,755
06 Printing and reproduction.....	17,891	18,510	9,675
07 Other contractual services.....	454,025	394,821	124,040
Services performed by other agencies.....	400,827	365,302	191,034
08 Supplies and materials.....	2,646,302	2,622,032	1,366,621
09 Equipment.....	1,558,903	1,427,967	745,885
10 Lands and structures.....	23,829	44,685	23,350
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			79,000
13 Refunds, awards, and indemnities.....	1,023	825	430
15 Taxes and assessments.....	9,959	10,140	5,300
Subtotal.....	8,320,283	8,302,400	4,335,704
Deduct charges for quarters and subsistence.....	3,592	4,400	3,650
Total obligations.....	8,316,691	8,298,000	4,332,054

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$8,315,913	\$8,298,000	\$4,332,054
Balance brought forward:			
Unobligated.....	2,423		
Obligated.....	56,443	82,955	
Increase in prior year obligations.....	1,459		
Total budget authorizations available.....	8,376,238	8,380,955	4,332,054
EXPENDITURES AND BALANCES			
Gross expenditures.....	8,291,638	8,380,955	4,332,054
Unobligated balance no longer available (expiring for obligation).....	1,645		
Obligated balance carried forward.....	82,955		
Total expenditures and balances.....	8,376,238	8,380,955	4,332,054
BUDGET EXPENDITURES			
Gross expenditures.....	8,291,638	8,380,955	4,332,054
Advances and reimbursements.....	8,315,913	8,298,000	4,332,054
Budget expenditures (out of balances of the fund).....	-24,275	82,955	

SOIL CONSERVATION SERVICE

Advances and Reimbursements, Soil Conservation Service

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Charges for leave and mileage costs.....	\$924,618	\$1,401,000	\$1,850,000
2. Sale of maps and mosaics.....	312,061	313,000	375,000
3. Sale of personal property.....	411,075	395,000	425,000
4. Miscellaneous services to other accounts.....	353,860	427,000	535,000
Total obligations.....	2,001,614	2,536,000	3,185,000

OPERATIONS AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Financing:			
Advances and reimbursements from—			
Other accounts.....	\$1,521,071	\$2,075,000	\$2,685,000
Non-Federal sources.....	480,543	461,000	500,000
Total financing.....	2,001,614	2,536,000	3,185,000

NOTE.—Reimbursements from non-Federal sources above are from State, county, municipal, and private organizations for soil and water conservation work rendered under cooperative agreements (5 U. S. C. 118e; 16 U. S. C. 590a-590f); from Government agencies, farmers, or other persons for reproduction of aerial and other photographs, mosaics, and soil, land-use and other maps (7 U. S. C. 1387); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	11	11	11
Full-time equivalent of all other positions.....	5	2	2
Average number of all employees.....	89	105	146
Number of employees at end of year.....	0	0	0
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,830	\$4,739	\$4,704
Average grade.....	GS-6.4	GS-6.2	GS-6.2
01 Personal services:			
Permanent positions.....	\$411,998	\$468,654	\$571,000
Positions other than permanent.....	16,755	6,834	7,000
Payment above basic rates.....	1,479	2,200	2,400
Total personal services.....	430,232	477,688	580,400
02 Travel.....	23,938	21,500	25,000
03 Transportation of things.....	957	1,500	2,000
04 Communication services.....	3,763	1,800	2,500
05 Rents and utility services.....	59,100	61,200	65,000
06 Printing and reproduction.....	232	100	100
07 Other contractual services.....	648,818	981,000	1,251,000
Services performed by other agencies.....	2,180	11,500	25,000
08 Supplies and materials.....	342,968	526,712	725,000
09 Equipment.....	489,241	453,000	475,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			34,000
15 Taxes and assessments.....	185		
Total obligations.....	2,001,614	2,536,000	3,185,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advancements and reimbursements.....	\$2,001,614	\$2,536,000	\$3,185,000
EXPENDITURES AND BALANCES			
Gross expenditures.....	2,001,614	2,536,000	3,185,000
BUDGET EXPENDITURES			
Gross expenditures.....	2,001,614	2,536,000	3,185,000
Advances and reimbursements.....	2,001,614	2,536,000	3,185,000
Budget expenditures (out of balances of the fund).....			

AGRICULTURAL CONSERVATION PROGRAM SERVICE

Advances and Reimbursements, Agricultural Conservation Program Service

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
Cost-sharing assistance to farmers (total obligations).....	\$271,577	\$457,000	\$457,000
Financing:			
Advances and reimbursements from—			
Other accounts.....	194,325	313,000	313,000
Non-Federal sources (7 U. S. C. 1387).....	77,252	144,000	144,000
Total financing.....	271,577	457,000	457,000

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
11 Grants, subsidies, and contributions..	\$271, 577	\$457, 000	\$457, 000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$271, 577	\$457, 000	\$457, 000
EXPENDITURES AND BALANCES			
Gross expenditures.....	271, 577	457, 000	457, 000
BUDGET EXPENDITURES			
Gross expenditures.....	271, 577	457, 000	457, 000
Advances and reimbursements.....	271, 577	457, 000	457, 000
Budget expenditures (out of bal- ances of the fund).....			

AGRICULTURAL MARKETING SERVICE

Advances and Reimbursements, Agricultural Marketing Service

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Research to extend storage life of fresh fruits and vegetables:			
Department of the Navy.....	\$10, 000	\$10, 000	\$10, 000
Department of the Army.....		14, 000	14, 000
2. Statistical training and services:			
Department of Agriculture (Fed- eral Crop Insurance Corpora- tion).....		25, 000	25, 000
Department of Commerce (Cen- sus).....	15, 608		
Federal Trade Commission.....	205		
3. Machine tabulating service (De- partment of Agriculture).....	11, 465	8, 950	9, 300
4. Market news service:			
Department of Agriculture.....	3, 240	590	590
State agencies under cooperative agreement.....	165, 373	194, 410	203, 500
5. Inspection, grading, classing, and standardization of agricultural farm products:			
Department of Agriculture.....	75, 745	77, 250	79, 700
Department of Defense.....	2, 345		
Department of Justice.....	3, 750	3, 750	3, 750
International Cooperation Ad- ministration.....	8, 297	8, 000	8, 000
Territorial departments of agri- culture.....	2, 000	5, 000	5, 160
Tobacco Growers Association.....	354, 000	268, 000	276, 450
6. Administration of special milk pro- gram.....		760, 000	783, 300
7. Wool marketing agreements.....		10, 000	10, 200
8. Storage research on Commodity Credit Corporation owned grains.....		163, 000	163, 000
9. Other services relating to programs administered by Commodity Stabilization Service.....		101, 340	68, 200
10. Miscellaneous (including proceeds from sale of equipment).....	30, 966	22, 890	21, 290
Total obligations.....	682, 994	1, 672, 180	1, 681, 440
Financing:			
Unobligated balance brought forward.....	3		
Advances and reimbursements from—			
Other accounts.....	147, 759	1, 190, 770	1, 183, 930
Non-Federal sources.....	535, 232	481, 410	497, 510
Total financing.....	682, 994	1, 672, 180	1, 681, 440

NOTE.—Reimbursements from non-Federal sources above are from cooperating uni-
versities, and State, county, local, and private agricultural marketing agencies (5 U. S. C.
563, 564); from States, municipalities, persons, or licensed tobacco inspectors for services
rendered (7 U. S. C. 511e); from proceeds of sale of personal property (40 U. S. C. 481 (c));
and refund of terminal leave payments (5 U. S. C. 61b).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	33	197	197
Full-time equivalent of all other positions.....	7	8	8
Average number of all employees.....	86	246	238
Number of employees at end of year.....	16	165	159
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5, 294	\$5, 373	\$5, 373
Average grade.....	GS-7.2	GS-7.3	GS-7.5
Ungraded positions: Average salary.....	\$3, 836	\$3, 703	\$3, 703

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
01 Personal services:			
Permanent positions.....	\$465, 916	\$1, 203, 306	\$1, 169, 156
Positions other than permanent.....	32, 158	33, 385	33, 000
Regular pay above 52-week base.....	352		3, 135
Payment above basic rates.....	11, 432	12, 800	12, 700
Total personal services.....	509, 858	1, 249, 491	1, 217, 991
02 Travel.....	60, 419	164, 780	149, 780
03 Transportation of things.....	6, 240	9, 700	9, 700
04 Communication services.....	55, 610	83, 974	82, 074
05 Rents and utility services.....	10, 780	21, 500	20, 000
06 Printing and reproduction.....	4, 776	16, 200	14, 200
07 Other contractual services.....	14, 202	30, 313	28, 313
Services performed by other agencies.....	378		
08 Supplies and materials.....	10, 077	32, 061	30, 061
09 Equipment.....	9, 921	59, 500	60, 000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			64, 660
13 Refunds, awards, and indemnities.....	156	2, 661	2, 661
15 Taxes and assessments.....	577	2, 000	2, 000
Total obligations.....	682, 994	1, 672, 180	1, 681, 440

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$682, 991	\$1, 672, 180	\$1, 681, 440
Balance brought forward:			
Unobligated.....	3		
Obligated.....	125		161, 740
Total budget authorizations avail- able.....	683, 119	1, 672, 180	1, 843, 180
EXPENDITURES AND BALANCES			
Gross expenditures.....	683, 119	1, 510, 440	1, 656, 600
Obligated balance carried forward.....		161, 740	186, 580
Total expenditures and balances.....	683, 119	1, 672, 180	1, 843, 180
BUDGET EXPENDITURES			
Gross expenditures.....	683, 119	1, 510, 440	1, 656, 600
Advances and reimbursements.....	682, 991	1, 672, 180	1, 681, 440
Budget expenditures (out of bal- ances of the fund).....	128	-161, 740	-24, 840

FOREIGN AGRICULTURAL SERVICE

Advances and Reimbursements, Foreign Agricultural Service

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Training one specialist from Trini- dad in the field of soil and water conservation (Department of State).....	\$1, 380		
2. Services to other accounts.....	104, 736	\$111, 000	\$117, 500
Total obligations.....	106, 116	111, 000	117, 500
Financing:			
Advances and reimbursements from—			
Other accounts.....	105, 895	111, 000	117, 500
Non-Federal sources (40 U. S. C. 481 (c)).....	221		
Total financing.....	106, 116	111, 000	117, 500

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	17	18	18
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	17	18	18
Number of employees at end of year.....	20	20	20
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6, 161	\$6, 049	\$6, 049
Average grade.....	GS-8.1	GS-7.9	GS-7.9
01 Personal services:			
Permanent positions.....	\$95, 469	\$100, 000	\$99, 800
Positions other than permanent.....	6, 019	6, 000	6, 000
Regular pay above 52-week base.....	166		200
Payment above basic rates.....			
Total personal services.....	101, 720	106, 000	106, 000
02 Travel.....	1, 499		
04 Communication services.....		500	500
06 Printing and reproduction.....	960	1, 500	1, 500

REVOLVING AND MANAGEMENT FUNDS—Continued

INTRAGOVERNMENTAL FUNDS—Continued

FOREIGN AGRICULTURAL SERVICE—Continued

Advances and Reimbursements, Foreign Agricultural Service—Con.

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
07 Other contractual services: Services performed by other agencies.....		\$1,000	\$1,000
08 Supplies and materials.....	\$557	2,000	2,000
11 Grants, subsidies, and contributions.....	1,380		
Contribution to retirement fund.....			6,500
Total obligations.....	106,116	111,000	117,500

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$106,116	\$111,000	\$117,500
Obligated balance brought forward.....	1,506	2,196	
Total budget authorizations available.....	107,622	113,196	117,500
EXPENDITURES AND BALANCES			
Gross expenditures.....	105,426	113,196	117,500
Obligated balance carried forward.....	2,196		
Total expenditures and balances.....	107,622	113,196	117,500
BUDGET EXPENDITURES			
Gross expenditures.....	105,426	113,196	117,500
Advances and reimbursements.....	106,116	111,000	117,500
Budget expenditures (out of balances of the fund).....	-690	2,196	

COMMODITY EXCHANGE AUTHORITY

Advances and Reimbursements, Commodity Exchange Authority

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
Supervision of futures trading (total obligations).....	\$560		
Financing:			
Advances and reimbursements from non-Federal sources (5 U. S. C. 61 (b) and 40 U. S. C. 481 (c)).....	560		

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
01 Personal services: Permanent positions.....	\$274		
09 Equipment.....	286		
Total obligations.....	560		

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$560		
EXPENDITURES AND BALANCES			
Gross expenditures.....	560		
BUDGET EXPENDITURES			
Gross expenditures.....	560		
Advances and reimbursements.....	560		
Budget expenditures (out of balances of the fund).....			

COMMODITY STABILIZATION SERVICE

Administrative Expenses, Sec. 392, Agricultural Adjustment Act of 1938

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
National and State operating expenses (total obligations).....	\$15,418,452	\$23,202,533	\$23,979,443
Financing:			
Advances and reimbursements from—			
“Agricultural conservation program, Agriculture”.....	4,133,300	4,291,215	4,483,595
“Acreage allotments and marketing quotas, Commodity Stabilization Service”.....	6,113,506	6,106,100	6,380,100
“Sugar Act program, Commodity Stabilization Service”.....	1,155,220	1,320,018	1,382,518
“Soil bank program, Agriculture”.....	352,992	6,874,000	7,174,000
“Great Plains conservation program, Agriculture”.....			80,000
“Disaster loans, etc., revolving fund, Department of Agriculture”.....	132,000	310,000	
Other.....	4,249,762	4,301,200	4,479,230
Unobligated balance no longer available.....	-718,328		
Total financing.....	15,418,452	23,202,533	23,979,443

Under the Agricultural Adjustment Act of 1938, amounts estimated to be required for administrative expenses of the National and State offices are advanced to this account from several appropriations related to agricultural stabilization and conservation activities.

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
STATE AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES AND NATIONAL OFFICE EXPENSE			
Total number of permanent positions.....	2,386	3,332	3,322
Full-time equivalent of all other positions.....	104	169	169
Average number of all employees.....	2,281	3,510	3,480
Number of employees at end of year.....	2,711	3,808	3,755
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,524	\$4,578	\$4,602
Average grade.....	GS-5.4	GS-5.4	GS-5.5
01 Personal services:			
Permanent positions.....	\$11,020,318	\$16,524,261	\$16,307,161
Positions other than permanent.....	599,925	927,386	930,886
Regular pay above 52-week base.....	42,293		62,687
Payment above basic rates.....	9,485	5,135	
Other payments for personal services.....	99,272	105,028	105,028
Total personal services.....	11,771,293	17,561,810	17,405,762
02 Travel.....	2,230,019	3,700,245	3,629,370
03 Transportation of things.....	75,125	113,764	111,964
04 Communication services.....	455,389	700,506	693,576
05 Rents and utility services.....	338,522	364,517	362,808
06 Printing and reproduction.....	34,693	42,109	41,740
07 Other contractual services.....	163,255	129,096	127,776
Services performed by other agencies.....	39,592	35,546	35,500
08 Supplies and materials.....	177,698	285,472	282,318
09 Equipment.....	98,062	212,653	212,396
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			1,020,345
13 Refunds, awards, and indemnities.....	11,091	17,528	17,539
15 Taxes and assessments.....	22,913	39,287	38,349
Total, State agricultural stabilization and conservation committees and national office expense.....	15,417,652	23,202,533	23,979,443
ALLOCATION TO EXTENSION SERVICE			
11 Grants, subsidies, and contributions.....	800		
Total obligations.....	15,418,452	23,202,533	23,979,443

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$16,136,780	\$23,202,533	\$23,979,443
Obligated balance brought forward.....	1,187,071	1,173,107	2,216,365
Restored from certified claims account.....		51	
Total budget authorizations available.....	17,323,851	24,375,691	26,195,808
EXPENDITURES AND BALANCES			
Gross expenditures.....	15,449,310	22,159,326	22,913,126
Balance no longer available:			
Unobligated (expiring for obligation).....	718,328		
Other.....	-16,894		
Obligated balance carried forward.....	1,173,107	2,216,365	3,282,682
Total expenditures and balances.....	17,323,851	24,375,691	26,195,808
BUDGET EXPENDITURES			
Gross expenditures.....	15,449,310	22,159,326	22,913,126
Advances and reimbursements.....	16,136,780	23,202,533	23,979,443
Budget expenditures (out of balances of the fund).....	-687,470	-1,043,207	-1,066,317

Local Administration, Sec. 388, Agricultural Adjustment Act of 1938
Agriculture

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
Local operating expenses (total obligations).....	\$91,946,737	\$184,603,153	\$185,746,251
Financing:			
Advances and reimbursements (7 U. S. C. 1388) from—			
“Agricultural conservation program, Agriculture”.....	18,378,200	19,816,385	21,254,385
“Acreage allotments and marketing quotas, Commodity Stabilization Service”.....	32,550,235	34,531,900	36,294,900
“Sugar Act program, Commodity Stabilization Service”.....	488,280	741,982	741,982
“Disaster loans, etc., revolving fund, Department of Agriculture”.....	330,100	1,001,886	
“Commodity Credit Corporation fund (storage and price support programs)”.....	33,228,000	46,380,000	47,624,184
“Soil bank program, Agriculture”.....	3,324,316	74,255,000	71,156,800
“Great Plains conservation program, Agriculture”.....			350,000
Other.....	7,552,287	7,876,000	8,324,000
Unobligated balance no longer available.....	-3,904,681		
Total financing.....	91,946,737	184,603,153	185,746,251

Under the Agricultural Adjustment Act of 1938, amounts estimated to be required by the county agricultural stabilization and conservation committees for carrying out the programs assigned to them are advanced to this account from the several appropriations available.

Payments to the county committees for their estimated expenses are deposited in the county committee bank accounts. Distribution of expenses paid from these accounts is as follows:

	1956 actual	1957 estimate	1958 estimate
Salaries.....	\$65,245,063	\$135,002,634	\$138,759,959
Travel.....	4,305,149	8,198,541	7,619,358
All other expense.....	21,519,239	40,293,411	38,262,254
Total advances to agricultural stabilization and conservation county committees from local administration.....	91,069,451	183,494,586	184,641,571
Other obligations.....	877,286	1,108,567	1,104,680
Total obligations.....	91,946,737	184,603,153	185,746,251

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
COUNTY AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES			
Total number of permanent positions.....	52	65	65
Average number of all employees.....	52	65	65
Number of employees at end of year.....	51	65	65

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
COUNTY AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES—con.			
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,524	\$4,578	\$4,602
Average grade.....	GS-5.4	GS-5.4	GS-5.5
01 Personal services:			
Permanent positions.....	\$210,462	\$270,830	\$270,830
Regular pay above 52-week base.....	831		1,042
Payment above basic rates.....	7,359	3,659	3,659
Total personal services.....	218,652	274,489	275,531
02 Travel.....	10,541	4,150	4,150
03 Transportation of things.....	13,636	13,000	13,000
04 Communication services.....	1,692	1,488	1,488
06 Printing and reproduction.....	1,527	1,300	1,300
07 Other contractual services.....	414,488	567,084	567,084
Services performed by other agencies.....	42,203	4,228	4,228
08 Supplies and materials.....	164,766	226,676	226,676
09 Equipment.....	5,198	15,700	15,700
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	91,064,951	183,489,383	184,613,439
Refunds, awards, and indemnities.....	4,445	5,175	5,175
15 Taxes and assessments.....	138	480	480
Total, county agricultural stabilization and conservation committees.....	91,942,237	184,603,153	185,746,251
ALLOTMENT TO EXTENSION SERVICE			
11 Grants, subsidies, and contributions.....	4,500		
Total obligations.....	91,946,737	184,603,153	185,746,251

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$95,851,418	\$184,603,153	\$185,746,251
Obligated balance brought forward.....	2,178,098	1,289,798	1,500,000
Increase in prior year obligations.....	5,566,599		
Restored from certified claims account.....		2,698	
Total budget authorization available.....	103,596,115	185,895,649	187,246,251
EXPENDITURES AND BALANCES			
Gross expenditures.....	98,327,905	184,395,649	185,546,251
Balance no longer available:			
Unobligated (expiring for obligation).....	3,904,681		
Other.....	73,731		
Obligated balance carried forward.....	1,289,798	1,500,000	1,700,000
Total expenditures and balances.....	103,596,115	185,895,649	187,246,251
BUDGET EXPENDITURES			
Gross expenditures.....	98,327,905	184,395,649	185,546,251
Advances and reimbursements.....	95,851,418	184,603,153	185,746,251
Budget expenditures (out of balances of the fund).....	2,476,487	-207,504	-200,000

Advances and Reimbursements, Commodity Stabilization Service

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Supply and foreign purchase program.....	\$296,764	\$350,000	\$368,000
2. International Wheat Agreement.....	179,760	235,000	243,000
3. National Wool Act.....	636,946	275,000	288,000
4. Operation and maintenance, Air Force.....		84,760	
5. Miscellaneous services to other accounts.....	6,357	1,749	
6. Prior year advances returned.....	102,172	2	
Total obligations.....	1,221,999	946,511	899,000
Financing:			
Unobligated balance brought forward.....	101,127	2	
Advances and reimbursements from other accounts.....	1,119,827	946,509	899,000
Recovery of prior year obligations.....	1,047		
Unobligated balance carried forward.....	-2		
Total financing.....	1,221,999	946,511	899,000

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	140	165	165
Average number of all employees.....	120	142	130
Number of employees at end of year.....	75	128	109

REVOLVING AND MANAGEMENT FUNDS—Continued

INTRAGOVERNMENTAL FUNDS—Continued

COMMODITY STABILIZATION SERVICE—Continued

Advances and Reimbursements, Commodity Stabilization Service—Continued

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
Average salaries and grades:			
General schedule grades:			
Average salary	\$4,524	\$4,578	\$4,602
Average grade	GS-5.4	GS-5.4	GS-5.5
01 Personal services:			
Permanent positions	\$485,789	\$787,502	\$711,171
Positions other than permanent	45		
Regular pay above 52-week base	1,702		2,726
Payment above basic rates	2,015	2,219	2,269
Total personal services	489,551	789,721	716,166
02 Travel	22,098	32,000	31,300
03 Transportation of things	2,312	3,550	3,750
04 Communication services	18,118	27,561	27,360
05 Rents and utility services	9,214	14,150	14,150
06 Printing and reproduction	20,406	24,860	24,860
07 Other contractual services	3,426	14,236	5,854
Advanced to "Administrative expenses, sec. 392, Agricultural Act of 1938" (7 U. S. C. 1392)	454,000		
Services performed by other agencies	92,369	25,706	21,105
08 Supplies and materials	5,713	10,625	7,700
09 Equipment	1,996	2,600	2,400
11 Grants, subsidies, and contributions:			
Contribution to retirement fund			42,970
13 Refunds, awards, and indemnities	102,302	662	660
15 Taxes and assessments	494	840	725
Total obligations	1,221,999	946,511	899,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements	\$1,119,827	\$946,509	\$899,000
Balance brought forward:			
Unobligated	101,127	2	
Obligated	1,365	-2	
Total budget authorizations available	1,222,319	946,509	899,000
EXPENDITURES AND BALANCES			
Gross expenditures	1,222,319	946,509	899,000
Balance carried forward:			
Unobligated	2		
Obligated	-2		
Total expenditures and balances	1,222,319	946,509	899,000
BUDGET EXPENDITURES			
Gross expenditures	1,222,319	946,509	899,000
Advances and reimbursements	1,119,827	946,509	899,000
Budget expenditures (out of balances of the fund)	102,492		

FEDERAL CROP INSURANCE CORPORATION

Advances and Reimbursements, Federal Crop Insurance Corporation

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Underwriting and actuarial analysis	\$156	\$200	
2. Contract sales and servicing	1,917	1,800	
3. Crop inspections and loss adjustments	352	500	
Total obligations	2,425	2,500	
Financing:			
Advances and reimbursements from—			
Other accounts	1,646	1,000	
Non-Federal sources (40 U. S. C. 481 (c))	779	1,500	
Total financing	2,425	2,500	

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Number of employees at end of year	0	0	
01 Personal services:			
Positions other than permanent	\$697	\$600	
Payment above basic rates	493		
Total personal services	1,190	600	
02 Travel	169		
08 Supplies and materials	281	400	
09 Equipment	779	1,500	
15 Taxes and assessments	6		
Total obligations	2,425	2,500	

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements	\$2,425	\$2,500	
EXPENDITURES AND BALANCES			
Gross expenditures	2,425	2,500	
BUDGET EXPENDITURES			
Gross expenditures	2,425	2,500	
Advances and reimbursements	2,425	2,500	
Budget expenditures (out of balances of the fund)			

RURAL ELECTRIFICATION ADMINISTRATION

Advances and Reimbursements, Rural Electrification Administration

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Administration of rural electrification program	\$3,562		
2. Administration of rural telephone program	2,016		
Total obligations	5,578		
Financing:			
Advances and reimbursements from—			
Other accounts	3,949		
Non-Federal sources (40 U. S. C. 481 (c))	1,629		
Total financing	5,578		

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Average number of employees	1 ¹		
Number of employees at end of year	0		
Average salaries and grades:			
General schedule grades:			
Average salary	\$5,484		
Average grade	GS-9.0		
01 Personal services: Permanent positions	\$3,949		
09 Equipment	1,629		
Total obligations	5,578		

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements	\$5,578		
EXPENDITURES AND BALANCES			
Gross expenditures	5,578		
BUDGET EXPENDITURES			
Gross expenditures	5,578		
Advances and reimbursements	5,578		
Budget expenditures (out of balances of the fund)			

FARMERS' HOME ADMINISTRATION

Advances and Reimbursements, Farmers' Home Administration

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
Administration of direct and insured loan programs (total obligations).....	\$113,520	\$130,000	\$130,000
Financing:			
Advances and reimbursements from—			
Other accounts.....	94,112	110,000	110,000
Non-Federal sources (40 U. S. C. 481 (c)).....	19,408	20,000	20,000
Total financing.....	113,520	130,000	130,000

OBLIGATIONS BY OBJECTS

Total number of permanent positions.....	14	15	15
Average number of all employees.....	15	16	16
Number of employees at end of year.....	13	15	15
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,464	\$4,323	\$4,354
Average grade.....	GS-4.8	GS-4.6	GS-4.6
01 Personal services:			
Permanent positions.....	\$64,592	\$66,900	\$67,910
Regular pay above 52-week base.....	211		260
Payment above basic rates.....	1,468	1,200	1,200
Total personal services.....	66,271	68,100	69,370
02 Travel.....	679	1,000	800
03 Transportation of things.....	1,449	3,000	3,000
04 Communication services.....	45	50	50
05 Rents and utility services.....	25,344	36,700	31,730
07 Other contractual services.....	1,627	4,000	3,500
Services performed by other agencies.....	2		
08 Supplies and materials.....	109	150	150
09 Equipment.....	17,994	17,000	17,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			4,400
Total obligations.....	113,520	130,000	130,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$113,520	\$130,000	\$130,000
EXPENDITURES AND BALANCES			
Gross expenditures.....	113,520	130,000	130,000
BUDGET EXPENDITURES			
Gross expenditures.....	113,520	130,000	130,000
Advances and reimbursements.....	113,520	130,000	130,000
Budget expenditures (out of balances of the fund).....			

OFFICE OF THE GENERAL COUNSEL

Advances and Reimbursements, Office of the General Counsel, Agriculture

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Agricultural credit and conservation.....	\$337	\$590	\$590
2. Commodity credit, production, and adjustment programs.....	183	315	315
3. Marketing and regulatory laws.....	117	200	200
4. Agricultural research and staff legal services.....	56	95	95
Total obligations.....	693	1,200	1,200
Financing:			
Advances and reimbursements from non-Federal sources (5 U. S. C. 61 (b) and 40 U. S. C. 481 (c)).....	693	1,200	1,200

OBLIGATIONS BY OBJECTS

07 Other contractual services.....	\$16		
09 Equipment.....	677	\$1,200	\$1,200
Total obligations.....	693	1,200	1,200

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$693	\$1,200	\$1,200
EXPENDITURES AND BALANCES			
Gross expenditures.....	693	1,200	1,200
BUDGET EXPENDITURES			
Gross expenditures.....	693	1,200	1,200
Advances and reimbursements.....	693	1,200	1,200
Budget expenditures (out of balances of the fund).....			

OFFICE OF THE SECRETARY

Working Capital Fund, Department of Agriculture

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Central supply service.....	\$834,402	\$743,306	\$787,000
2. Reproduction service.....	991,889	916,211	976,850
3. Motor transport service.....	26,802		
4. United States Department of Agriculture publication.....	21,719	22,000	22,825
5. Art and graphics service.....	202,358	199,502	212,000
6. Motion picture service.....	493,356	429,247	452,000
7. Still photographic service.....	110,794	107,075	117,000
8. Library photocopy service.....		33,300	77,760
Total program (obligations).....	2,681,320	2,450,641	2,645,435
Financing:			
Amounts becoming available:			
Sales of goods and services.....	2,445,163	2,497,100	2,609,075
Realization of assets: Sale of equipment.....	3,666		
Selected working capital assets assumed.....		5,800	
Total amounts becoming available.....	2,448,829	2,502,900	2,609,075
Unobligated balance brought forward.....	478,465	245,974	298,233
Total amounts available.....	2,927,294	2,748,874	2,907,308
Unobligated balance carried forward.....	-245,974	-298,233	-261,873
Financing applied to program.....	2,681,320	2,450,641	2,645,435

This fund finances on a reimbursable basis certain central services in the Department of Agriculture, including duplicating, photographic, art and graphics, motion picture, tabulating, supply and library photocopying services. As of June 30, 1956, the Government's investment consisted principally of \$400,000 appropriated and \$525,098 donated assets.

CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION

	1956 actual	1957 estimate	1958 estimate
Income earned.....	\$2,448,829	\$2,497,100	\$2,609,075
Expense incurred.....	2,450,850	2,481,463	2,602,035
Net income.....	-2,021	15,637	7,040
Analysis of retained earnings:			
Retained earnings, beginning of year.....	21,806	27,885	43,522
Adjustment of prior year expense.....	8,100		
Retained earnings, end of year.....	27,885	43,522	50,562
Assets:			
Cash.....	\$408,360	\$453,960	\$394,100
Accounts receivable.....	324,110	256,810	286,810
Other current assets.....	280,756	275,256	272,756
Fixed assets, net.....	247,594	315,931	361,831
Total assets.....	1,260,820	1,301,957	1,315,497
Liabilities: Current.....	307,837	327,537	334,037
Investment of U. S. Government:			
Appropriation.....	400,000	400,000	400,000
Donated assets, net.....	525,098	530,898	530,898
Retained earnings.....	27,885	43,522	50,562
Total investment of U. S. Government.....	952,983	974,420	981,460

REVOLVING AND MANAGEMENT FUNDS—Continued

INTRAGOVERNMENTAL FUNDS—Continued

OFFICE OF THE SECRETARY—Continued

Working Capital Fund, Department of Agriculture—Continued

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
ALLOTMENT TO OFFICE OF THE SECRETARY			
Total number of permanent positions.....	168	166	166
Average number of all employees.....	166	163	163
Number of employees at end of year.....	167	165	165
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,131	\$4,163	\$4,189
Average grade.....	GS-4.0	GS-4.0	GS-4.0
Ungraded positions: Average salary.....	\$3,756	\$3,789	\$3,805
01 Personal services:			
Permanent positions.....	\$652,151	\$646,925	\$644,390
Regular pay above 52-week base.....	2,257	2,535	2,535
Payment above basic rates.....	25,826	25,000	25,000
Excess of annual leave earned over leave taken.....	1,121		
Total personal services.....	681,355	671,925	671,925
02 Travel.....	181	100	100
03 Transportation of things.....	656	600	600
04 Communication services.....	1,968	1,900	1,900
05 Rents and utility services.....	177	175	175
06 Printing and reproduction.....	10,854	10,000	10,000
07 Other contractual services.....	35,611	8,000	9,680
08 Supplies and materials.....	1,084,067	948,517	1,000,000
09 Equipment.....	59,616	40,000	50,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			41,995
15 Taxes and assessments.....	327	300	300
Total, Office of the Secretary.....	1,874,812	1,681,517	1,786,675
ALLOTMENT TO OFFICE OF INFORMATION			
Total number of permanent positions.....	95	97	97
Average number of all employees.....	93	95	95
Number of employees at end of year.....	90	92	92
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,408	\$5,490	\$5,565
Average grade.....	GS-7.4	GS-7.8	GS-7.8
01 Personal services:			
Permanent positions.....	\$503,220	\$524,000	\$524,200
Regular pay above 52-week base.....	1,762		1,800
Payment above basic rates.....	4,139		
Excess of annual leave taken (—) over leave earned.....	—5,433		
Total personal services.....	503,688	524,000	526,000
02 Travel.....	9,125	8,000	8,000
03 Transportation of things.....	2,226	2,000	2,000
04 Communication services.....	2,535	2,500	2,500
06 Printing and reproduction.....	4,859	4,000	6,000
07 Other contractual services.....	90,189	64,977	66,810
Services performed by other agencies.....	9,476	6,000	9,000
08 Supplies and materials.....	122,611	113,433	113,000
09 Equipment.....	61,239	10,414	14,500
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			32,690
15 Taxes and assessments.....	560	500	500
Total, Office of Information.....	806,508	735,824	781,000
ALLOTMENT TO LIBRARY			
Total number of permanent positions.....		8	8
Average number of all employees.....		6	11
Number of employees end of year.....		8	8
Average salary and grades:			
General schedule grades:			
Average salary.....		\$3,880	\$3,992
Average grade.....		GS-3.8	GS-3.8
01 Personal services:			
Permanent positions.....		\$22,595	\$45,355
Regular pay above 52-week base.....			200
Total personal services.....		22,595	45,555
04 Communication services.....		3,100	5,320
06 Printing and reproduction.....			200
07 Other contractual services.....		80	200
08 Supplies and materials.....		5,000	11,000
09 Equipment.....		2,500	12,500
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			2,840
13 Refunds, awards, and indemnities.....			100
15 Taxes and assessments.....		25	45
Total, Library.....		33,300	77,760
Total obligations.....	2,681,320	2,450,641	2,645,435

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements:			
Central supply service.....	\$748,128	\$781,600	\$787,600
Reproduction service.....	893,406	900,000	936,850
Motor transport service.....	27,780		
United States Department of Agriculture publication.....	21,719	22,000	22,825
Art and graphics service.....	203,159	204,000	213,000
Motion picture service.....	444,103	444,000	463,000
Still photographic service.....	110,534	112,000	118,000
Library photocopy service.....		33,500	67,800
Selected working capital assumed.....		5,800	
Decrease in selected working capital.....	19,613	90,000	
Total advances and reimbursements.....	2,468,442	2,592,900	2,609,075
Balance brought forward:			
Unobligated.....	478,465	245,974	298,233
Obligated.....	28,408	162,386	155,727
Total budget authorizations available.....	2,975,315	3,001,260	3,063,035
EXPENDITURES AND BALANCES			
Gross budget expenditures:			
Central supply service.....	796,887	781,000	787,000
Reproduction service.....	958,075	930,000	976,850
Motor transport service.....	26,802		
United States Department of Agriculture publication.....	21,719	22,000	22,825
Art and graphics service.....	202,250	199,500	212,000
Motion picture service.....	452,771	472,500	455,000
Still photographic service.....	108,451	109,000	117,000
Library photocopy service.....		33,300	77,760
Increase in selected working capital.....			20,500
Total gross budget expenditures.....	2,566,955	2,547,300	2,668,935
Balance carried forward:			
Unobligated.....	245,974	298,233	261,873
Obligated.....	162,386	155,727	132,227
Total expenditures and balances.....	2,975,315	3,001,260	3,063,035
BUDGET EXPENDITURES			
Gross expenditures.....	2,566,955	2,547,300	2,668,935
Advances and reimbursements.....	2,468,442	2,592,900	2,609,075
Budget expenditures (out of balances of the fund).....	98,513	—45,600	59,860

STATUS OF CERTAIN FUND BALANCES

	1955 actual	1956 actual	1957 estimate	1958 estimate
Unexpended balance:				
Cash with Treasury.....	\$506,873	\$408,360	\$453,960	\$394,100
Net obligations outstanding:				
Current liabilities.....	324,444	307,837	327,537	334,037
Obligations other than liabilities.....	65,922	178,659	85,000	85,000
Accounts receivable (—).....	—361,958	—324,110	—256,810	—286,810
Net obligations outstanding.....	28,408	162,386	155,727	132,227
Unobligated portion of certain fund balances.....	478,465	245,974	298,233	261,873

Advances and Reimbursements, Office of the Secretary of Agriculture

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. General administration.....	\$6,275		
2. Personnel administration and service:			
Department of Agriculture.....	19,914		
Miscellaneous services to other accounts.....	26,330	\$2,720	\$2,720
3. Budgetary and financial administration and service.....	2,533		
4. General operations.....	5,060		
5. Regulatory hearings and decisions.....	222		
Total obligations.....	60,334	2,720	2,720
Financing:			
Advances and reimbursements from—			
Other accounts.....	60,241	2,720	2,720
Non-Federal sources (40 U. S. C. 481 (c)).....	486		

OPERATIONS AND FINANCING—continued

	1956 actual	1957 estimate	1958 estimate
Financing—Continued			
Unobligated balance no longer available.....	—\$393		
Total financing.....	60,334	\$2,720	\$2,720

OBLIGATIONS BY OBJECTS

Total number of permanent positions.....	5		
Average number of all employees.....	5		
Number of employees at end of year.....	5		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$7,765		
Average grade.....	GS-11.2		
01 Personal services:			
Permanent positions.....	\$48,816	\$2,720	\$2,720
Regular pay above 52-week base.....	95		
Total personal services.....	48,911	2,720	2,720
02 Travel.....	8,918		
06 Printing and reproduction.....	1,397		
07 Other contractual services.....	347		
08 Supplies and materials.....	275		
09 Equipment.....	486		
Total obligations.....	60,334	2,720	2,720

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$60,727	\$2,720	\$2,720
Obligated balance brought forward.....	465	218	
Increase in prior year obligations.....	37		
Total budget authorizations available.....	61,229	2,938	2,720
EXPENDITURES AND BALANCES			
Gross expenditures.....	60,606	2,938	2,720
Balance no longer available:			
Unobligated (expiring for obligation).....	393		
Other.....	12		
Obligated balance carried forward.....	218		
Total expenditures and balances.....	61,229	2,938	2,720
BUDGET EXPENDITURES			
Gross expenditures.....	60,606	2,938	2,720
Advances and reimbursements.....	60,727	2,720	2,720
Budget expenditures (out of balances of the fund).....	—121	218	

OFFICE OF INFORMATION

Advances and Reimbursements, Office of Information, Agriculture

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Publications review and distribution.....	\$154		
2. Review and distribution of current agricultural information.....	4,817		
3. Review, preparation, and distribution of visual agricultural information.....	29,071		
Total obligations.....	34,042		
Financing:			
Advances and reimbursements from—			
Other accounts.....	28,721		
Non-Federal sources (40 U. S. C. 481 (c) and 7 U. S. C. 1387).....	5,321		
Total financing.....	34,042		

OBLIGATIONS BY OBJECTS

Average number of all employees.....	3		
Number of employees at end of year.....	2		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,524		
Average grade.....	GS-6.9		

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
01 Personal services:			
Permanent positions.....	\$18,248		
Regular pay above 52-week base.....	32		
Payment above basic rates.....	90		
Total personal services.....	18,370		
02 Travel.....	134		
03 Transportation of things.....	145		
06 Printing and reproduction.....	5,920		
07 Other contractual services.....	3,516		
Services performed by other agencies.....	386		
08 Supplies and materials.....	5,186		
09 Equipment.....	385		
Total obligations.....	34,042		

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$34,042		
EXPENDITURES AND BALANCES			
Gross expenditures.....	34,042		
BUDGET EXPENDITURES			
Gross expenditures.....	34,042		
Advances and reimbursements.....	34,042		
Budget expenditures (out of balances of the fund).....			

Allotment Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotment from other appropriations are shown in the schedules of the parent appropriation "Working capital fund, Department of Agriculture."

LIBRARY

Advances and Reimbursements, Library, Agriculture

OPERATIONS AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. Agricultural library services (photographic reproductions and other services—includes Departments of Agriculture, Commerce, Defense, Health, Education, and Welfare, Interior, and State).....	\$113,205	\$92,000	\$21,200
2. Prior year advances returned.....	141		
Total obligations.....	113,346	92,000	21,200
Financing:			
Advances and reimbursements from—			
Other accounts.....	76,589	70,150	20,900
Non-Federal sources (5 U. S. C. 552a).....	36,757	21,850	300
Total financing.....	113,346	92,000	21,200

OBLIGATIONS BY OBJECTS

Total number of permanent positions.....	21	12	3
Average number of all employees.....	19	15	3
Number of employees at end of year.....	20	12	3
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,102	\$4,388	\$3,563
Average grade.....	GS-5.0	GS-5.8	GS-3.7
01 Personal services:			
Permanent positions.....	\$80,919	\$66,880	\$10,690
Regular pay above 52-week base.....	319		40
Payment above basic rates.....	247		
Total personal services.....	81,485	66,880	10,730
04 Communication services.....	2,922	2,600	
06 Printing and reproduction.....	463	400	
07 Other contractual services.....	253	100	
Services performed by other agencies.....	673	3,470	
08 Supplies and materials.....	9,575	5,000	770

REVOLVING AND MANAGEMENT FUNDS—Continued

INTRAGOVERNMENTAL FUNDS—Continued

LIBRARY—Continued

Advances and Reimbursements, Library, Agriculture—Continued

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
09 Equipment.....	\$17,666	\$13,500	\$9,600
11 Grants, subsidies, and contributions: Contribution to retirement fund.....			100
13 Refunds, awards, and indemnities.....	258		
15 Taxes and assessments.....	51	50	
Total obligations.....	113,346	92,000	21,200

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$113,346	\$92,000	\$21,200
Obligated balance brought forward.....	105		
Increase in prior year obligation.....	141		

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE—con.			
Restored from certified claims account.....		\$900	
Total budget authorizations available.....	\$135,592	92,900	\$21,200
EXPENDITURES AND BALANCES			
Gross expenditures.....	113,592	92,900	21,200
BUDGET EXPENDITURES			
Gross expenditures.....	113,592	92,900	21,200
Advances and reimbursements.....	113,346	92,000	21,200
Budget expenditures (out of balances of the fund).....	246	900	

Allotment Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotment from other appropriations are shown in the schedules of the parent appropriation "Working capital fund, Department of Agriculture."

GENERAL PROVISIONS

SEC. 501. Within the unit limit of cost fixed by law, [the lump-sum] appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [645] 577 passenger motor vehicles of which [622] 552 shall be for replacement only, and for the hire of such vehicles, necessary in the conduct of the work of the Department outside the District of Columbia.]

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to employment under the appropriation for the Foreign Agricultural Service.

SEC. 503. [Of appropriations herein made which are available for the purchase of lands, not to exceed \$1 may be expended for each option to purchase any particular tract or tracts of land] Funds available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131).

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insects and pests, with respect to future prices of cotton or the trend of same.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the [Act] Acts of August 14, 1946 [(7 U. S. C. 427, 1621-1629),] and [the Act of] July 28, 1954 [(Public Law 545] 7 U. S. C. 427, 1621-1629), shall be available for contracting in accordance with said Acts.

SEC. 507. No part of any appropriation contained in this Act or of the funds available for expenditure by any corporation or agency included in this Act shall be used for publicity or propaganda purposes to support or defeat legislation pending before the Congress.

[SEC. 508. Appropriations of the Department available for research and service work authorized by the Act of August 14, 1946 (7 U. S. C. 427, 1621-1629) shall be available for expenses of any advisory committee established as provided in title III of said Act to assist in effectuating the research and service work of the Department.] (70 Stat. 1033-4; Department of Agriculture and Farm Credit Administration Appropriation Act, 1957.)

Statement of proposed obligations for purchase and hire of passenger motor vehicles for the fiscal year 1958

DEPARTMENT OF AGRICULTURE

Appropriation	Motor vehicles to be purchased		Old vehicles to be exchanged		Net cost of vehicles to be purchased	Old vehicles still to be used	Cost of hire of motor vehicles	Users and public purpose
	Number	Gross cost	Number	Allowance (estimate)				
AGRICULTURAL RESEARCH SERVICE								
Salaries and expenses: Research.....	87	\$117,450	79	\$9,875	\$107,575	312	\$4,000	Scientific and technical personnel: For necessary field travel in carrying out research programs on agricultural problems relating to production and utilization of agricultural products, including use of 1 automobile at National Arboretum in Washington, D. C.
Station wagon.....	17	30,600	9	1,125	29,475	22		Do.
Plant and animal disease and pest control.....	184	248,400	182	22,750	225,650	600	13,000	Inspection personnel and control supervisors: Transportation to farms, ranches, and other premises in field and urban locations in carrying out plant and animal disease and pest control, including inspection and quarantine work.
Station wagon.....						8		Do.
Meat inspection.....	8	10,800	8	1,000	9,800	24	4,500	Inspection personnel: Transportation to slaughter houses and meat packing plants in urban centers, including field station in District of Columbia in carrying out provisions of laws relating to Federal inspection of meat and meat food products.
Diseases of animals and poultry: Research.....						1		Officials and employees at Plum Island, N. Y., Laboratory. For use in transporting employees from ferry to laboratory and return. No private vehicles allowed on island.
Station wagon.....						1		Do.
Ambulance.....						1		Do.
Bus.....	2	16,000			16,000	5		Do.

Statement of proposed obligations for purchase and hire of passenger motor vehicles for the fiscal year 1958—Continued

DEPARTMENT OF AGRICULTURE—Continued

Appropriation	Motor vehicles to be purchased		Old vehicles to be exchanged		Net cost of vehicles to be purchased	Old vehicles still to be used	Cost of hire of motor vehicles	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
AGRICULTURAL RESEARCH SERVICE—continued								
Working capital fund, agricultural research center.						5		Superintendent, engineers, and other officials: Transportation in supervising and inspecting maintenance and operation of agricultural research center and for transporting officials and visiting agricultural leaders to and from various sections of the center.
Research on strategic and critical agricultural materials: Station wagon						1		
Total, Agricultural Research Service.	298	\$423,250	278	\$34,750	\$388,500	980	¹ \$21,500	
FOREST SERVICE								
Working capital fund	168	226,800	128	25,600	201,200	505	18,000	Forest rangers, forest supervisors, regional foresters and directors and other field officers. For use in protection, management, utilization, and development of national forests; and in management of land utilization projects; transportation in connection with forest pest control activities in the field; for use at research center experimental forests and ranges on field research projects and forest survey; travel in connection with improving forest practices on private forest lands, used in directing and inspecting road construction and maintenance. Do. Do.
Station wagon	11	19,800	4	1,200	18,600	38		
Bus						1		
Total, Forest Service	179	246,600	132	26,800	219,800	544	² 18,000	
SOIL CONSERVATION SERVICE								
Conservation operations	205	276,500	212	42,400	234,100	723	43,000	State and area conservationists, technical specialists, and survey supervisors: Transportation in connection with supervision and inspection of service activities in conservation districts. Do. Project personnel: Transportation for investigation and planning of proposed small watershed projects; surveying and supervising installation of works of improvement in authorized projects, and for negotiating with local sponsors of projects; for investigating agricultural phases of proposed river basin projects. Do. Project personnel: Transportation in connection with surveying and supervising installation of works of improvement in authorized flood prevention projects. Project personnel: Transportation in connection with development, operation, and management of Eden Valley project.
Station wagon	2	3,600	2	400	3,200	1		
Watershed protection						23		
Station wagon	7	12,600			12,600	34		
Flood prevention	9	12,150	9	1,800	10,350	49		
Water conservation and utilization projects.	1	1,350	1	200	1,150	2		
Total, Soil Conservation Service.	224	306,200	224	44,800	261,400	832	¹ 43,000	
AGRICULTURAL MARKETING SERVICE								
Marketing research and service: Marketing research and agricultural estimates.	16	21,600	16	4,320	17,280	50	3,000	Research and technical specialists: For use in supervising, directing, and carrying out research programs on agricultural problems. Field statisticians: Transportation to and from important agricultural areas in preparation of crop and livestock estimates. Market news reporters: For use in gathering and disseminating news of market conditions for various farm crops and livestock. Inspectors and graders: For inspection, classing, and grading of farm products, including work required under Cotton, Tobacco, Naval Stores, and Grain Standards Acts. Marketing specialists, inspectors and graders: Transportation to and from warehouses, stockyards, markets, railroad yards, piers, and other places for licensing or registration, supervision of operations of licensees to assure compliance, collection of samples for testing, handling of violations with respect to administration of United States Warehouse, Federal Seed, Packers and Stockyards, and Naval Stores Acts. Field representatives: For cotton classing and market information programs. Inspectors and graders: For use in inspecting and grading farm and food products—paid from funds received for services performed. Do. Marketing specialists: Transportation to and from offices of produce dealers and truckers in investigating complaints and violations and checking establishments for compliance with license provisions under Perishable Agricultural Commodities and Produce Agency Act—paid from license fees collected.
Marketing services	32	43,200	27	7,290	35,910	130	33,000	
Station wagon						3		
Expenses and refunds, inspection and grading of farm products, Agriculture.	22	29,700	22	5,940	23,760	86	31,000	
Station wagon						1		
Perishable Agricultural Commodities Act fund, Agriculture.						1	6,000	
Total, Agricultural Marketing Service.	70	94,500	65	17,550	76,950	271	¹ 73,000	

¹ Represents estimated payments to another agency for motor pool rentals.² Includes \$17,000 estimated for payments to another agency for motor pool rentals and \$1,000 for other payments for hire.

Statement of proposed obligations for purchase and hire of passenger motor vehicles for the fiscal year 1958—Continued

DEPARTMENT OF AGRICULTURE—Continued

Appropriation	Motor vehicles to be purchased		Old vehicles to be exchanged		Net cost of vehicles to be purchased	Old vehicles still to be used	Cost of hire of motor vehicles	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
FOREIGN AGRICULTURAL SERVICE								
Salaries and expenses-----							\$950	Administrator and other officials, for Foreign Agricultural Service: Transportation to and from official conferences and meetings in Washington, D. C., with Members of Congress, U. S. Government officials, and officials of international organizations and of foreign governments; trips to and from embassies of foreign governments for visaing of passports; transportation of foreign trainees. Messengers: Delivery of special or classified mail in Washington area.
Removal of surplus agricultural commodities: Station wagon.							575	Do.
Technical cooperation, general, Executive (transfers to Agriculture): Station wagon.							575	Do.
Total, Foreign Agricultural Service.							12,100	
COMMODITY STABILIZATION SERVICE								
Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938.						3	11,320	Area office directors and field representatives: For travel within Puerto Rico and Hawaii in connection with agricultural conservation, sugar and other assigned duties. Administrator and other staff officials: Use of 1 car for transportation in District of Columbia. Inspectors and marketing specialists: For travel to and from warehouses, storage facilities, bin sites, and piers in connection with essential services under Commodity Credit Corporation and Commodity Stabilization Service.
FARMERS' HOME ADMINISTRATION								
Salaries and expenses-----	6	\$8,100	6	\$1,500	\$6,600	26	310,000	State directors and other field officials: Transportation in assisting and advising county supervisors in investigation of applications, making of loans, rendering farm management assistance to borrowers, and collecting and servicing loans under various loan programs.
OFFICE OF THE SECRETARY								
Salaries and expenses-----	1	1,350	1	500	850		500	Secretary of Agriculture, Under Secretary, assistant secretaries, and members of their immediate staffs, as well as heads and other responsible officials of staff offices which comprise the Office of the Secretary: For transportation in District of Columbia.
Station wagon-----							1,000	Do.
Total, Office of the Secretary--	1	1,350	1	500	850		1,500	
Total, Department of Agriculture.	678	1,080,000	706	125,900	954,100	2,656	170,420	

¹ Represents estimated payments to another agency for motor pool rental.³ Includes \$9,000 estimated for payments to another agency for motor pool rentals and \$1,000 for other payments for hire.⁴ Includes \$1,000 estimated for payments to another agency for motor pool rentals and \$500 for other payments for hire.⁵ Includes 22 vehicles to be purchased from funds advanced by producers for whom services are performed. (See item above for "Expenses and refunds, inspection and grading of farm products.")

Statement of proposed obligations for purchase, maintenance, and operation of aircraft for the fiscal year 1958

DEPARTMENT OF AGRICULTURE

Appropriation	Aircraft to be purchased		Aircraft to be exchanged		New cost of aircraft to be purchased	Old aircraft still to be used	Cost of maintenance and operation of aircraft	Users and public purpose
	Number	Gross cost	Number	Allowance (estimate)				
AGRICULTURAL RESEARCH SERVICE								
Salaries and expenses: Research-----						3	\$5,000	Technical employees: For experimentation and development of improved equipment and methods for spraying and dusting crops and for fertilizing, seeding, and performing other agricultural operations with airplanes.
Plant and animal disease and pest control.	1	\$5,000	1	\$1,000	\$4,000	4	6,000	Pest-control technicians: For demonstrating use of special equipment for suppression of destructive insects attacking crops; and when not otherwise engaged, for supplementing contract aircraft in control operations.
Total, Agricultural Research Service.	1	5,000	1	1,000	4,000	7	11,000	
FOREST SERVICE								
Forest protection and utilization: Forest land management.	5	195,000	4	25,000	170,000	26	170,000	Forest Service administrative personnel and fire fighters: Transportation of men and supplies including "smoke jumpers" to inaccessible areas for reconnaissance and suppression of large fires, and for detection services in remote areas. Also for pest-control technicians in locating incipient outbreaks of forest insect pests and in appraising scope and seriousness of infestations in forested areas.
Total, Department of Agriculture.	6	200,000	5	26,000	174,000	33	181,000	

STATUS OF CERTAIN FUND BALANCES

	1955 actual	1956 actual	1957 estimate	1958 estimate
Unexpended balance:				
Cash with Treasury.....	\$11,558,915	\$14,285,158	\$9,789,788	\$9,149,666
Net obligations outstanding:				
Current liabilities.....	7,683,823	8,436,140	7,447,210	7,250,000
Obligations other than liabilities:				
Unfilled purchase orders.....	12,009,190	11,877,899	12,000,000	12,000,000
Accounts receivable and cash in transit (-).....	-9,199,001	-9,234,302	-9,338,874	-9,117,513
Net obligations outstanding.....	10,494,012	11,079,737	10,108,336	10,132,487
Unobligated portion of certain fund balances.....	1,064,903	3,205,421	-318,548	-982,821

SCHEDULE A-1. ACCRUED EXPENDITURES BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
VETERANS ADMINISTRATION			
Total number of permanent positions.....	82	73	329
Average number of all employees.....	75	71	327
Number of employees at end of year.....	61	71	327
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,363	\$4,293	\$4,389
Average grade.....	GS-5.5	GS-5.0	GS-5.0
01 Personal services:			
Permanent positions.....	\$359,994	\$354,890	\$1,440,353
Regular pay above 52-week base.....	1,385		5,894
Payment above basic rates.....			9,032
Total personal services.....	361,379	354,890	1,455,279
02 Travel.....	14,948	16,200	16,844
03 Transportation of things.....	1,296,687	1,305,000	1,425,000
04 Communication services.....	390	400	850
05 Rents and utility services.....	3,369	6,000	12,690
06 Printing and reproduction.....			1,886,751
07 Other contractual services.....	27,275	27,300	41,898
08 Supplies and materials.....	110,765,420	119,380,869	121,018,686
09 Equipment.....	10,425,363	15,845,909	12,990,947
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			71,429
13 Refunds, awards, and indemnities.....	165	100	100
15 Taxes and assessments.....	315	220	520
Total, Veterans Administration.....	122,895,311	136,936,888	138,920,994
ALLOCATION TO DEPARTMENT OF COMMERCE			
07 Other contractual services.....	76,864		
ALLOCATION TO DEPARTMENT OF THE ARMY			
08 Supplies and materials.....	33,748		
Total accrued expenditures.....	123,005,923	136,936,888	138,920,994

Advances and Reimbursements, Veterans Administration

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Operations by activities:			
1. General operating expenses.....	\$156,272	\$160,000	\$153,000
2. Medical administration and miscellaneous operating expenses.....	3,369		
3. Outpatient care.....	199,292	115,000	115,000
4. Maintenance and operation of supply depots.....	124,907	110,000	120,000
5. Hospital and domiciliary facilities.....	48,761		
6. Major alterations, improvements, and repairs.....	9,083		
Total obligations.....	541,684	385,000	388,000
Financing:			
Advances and reimbursements from—			
Other accounts.....	394,663	285,000	288,000
Non-Federal sources (40 U. S. C. 481 (c)).....	147,021	100,000	100,000
Total financing.....	541,684	385,000	388,000

OBLIGATIONS BY OBJECTS

Total number of permanent positions.....	60	41	40
Average number of all employees.....	60	41	40
Number of employees end of year.....	60	41	40
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,261	\$5,275	\$5,164
Average grade.....	GS-7.5	GS-7.5	GS-7.3
Ungraded positions: Average salary.....	\$4,260	\$4,300	\$4,450
01 Personal services:			
Permanent positions.....	\$291,650	\$195,800	\$191,563
Regular pay above 52-week base.....	1,120		737
Total personal services.....	292,770	195,800	192,300
04 Communication services.....	41,941	42,200	42,500
05 Rents and utility services.....	14,619	12,900	14,600
06 Printing and reproduction.....	14,131	14,000	14,000
07 Other contractual services.....	97,041	93,200	82,462
08 Supplies and materials.....	23,338	26,900	30,600
10 Lands and structures.....	57,844		
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			11,538
Total obligations.....	541,684	385,000	388,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements.....	\$541,684	\$385,000	\$388,000
EXPENDITURES AND BALANCES			
Gross expenditures.....	541,684	385,000	388,000
BUDGET EXPENDITURES			
Gross expenditures.....	541,684	385,000	388,000
Advances and reimbursements.....	541,684	385,000	388,000
Budget expenditures (out of balances of fund).....			

GENERAL PROVISIONS

INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. Where appropriations in this title are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System.

SEC. 103. Where appropriations in this title are expendable for the purchase of newspapers and periodicals and no specific limitation has been placed thereon, the expenditures therefor under each such appropriation may not exceed the amount of \$50: *Provided*, That this limitation shall not apply to the purchase of scientific, technical, trade, or traffic periodicals necessary in connection with the performance of the authorized functions of the agencies for which funds are herein provided, *nor to the purchase of newspapers and periodicals necessary for the care and welfare of patients and members in Veterans Administration hospitals and domiciliary facilities.*

SEC. 104. No part of any appropriation contained in this title shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 105. Appropriations contained in this title, available for expenses of travel shall be available, when specifically authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made.

SEC. 106. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia: *Provided*, That this limitation shall not apply

GENERAL PROVISIONS—Continued

INDEPENDENT OFFICES—GENERAL PROVISIONS—Continued

to programs which have been approved by the Congress and appropriations made therefor.

SEC. 107. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and thirty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; wage administration; and processing, recording, and reporting.

SEC. 108. None of the sections under the head "Independent Offices, General Provisions" in this title shall apply to the Housing and Home Finance Agency.

CORPORATIONS—GENERAL PROVISIONS

SEC. 202. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in

excess of the number that would be provided by a ratio of one such employee to one hundred and thirty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

SEC. 302. No part of any appropriation hereafter contained in this or any other Act shall be used to pay the compensation of any officers or employees who establish a requirement of maximum age for entrance into positions in the competitive civil service: *Provided*, That no person who has reached his seventieth birthday shall be appointed in the competitive civil service on other than a temporary basis. (Independent Offices Appropriation Act, 1957.)

PROPOSED FOR LATER TRANSMISSION

Alaska International Rail and Highway Commission (under existing legislation, 1957).—The Commission was established by Public Law 884, approved August 1, 1956, to study the economic and military advantages and the feasibility of additional rail and highway routes between the continental United States and Alaska, as well as the feasibility of feeder rail and highway routes connecting with coastal ports and cities. It is estimated that an appropriation of \$75,000 will be required for 1957.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$75,000	
Obligated balance brought forward.....			\$40,000
EXPENDITURES AND BALANCES			
Total expenditures—			
Out of current authorizations.....		35,000	
Out of prior authorizations.....			40,000
Obligated balance carried forward.....		40,000	
Total expenditures and balances.....		75,000	40,000

Annuities under special acts, Civil Service Commission (under existing legislation, 1957).—A supplemental appropriation of \$400,000 is anticipated to cover costs of new legislation increasing the annuities of Panama Canal construction employees (70 Stat. 607).

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Proposed supplemental appropriation.....		\$400,000	
Obligated balance brought forward.....			\$199,500
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....		200,500	
Out of prior authorizations.....			199,500
Obligated balance carried forward.....		199,500	
Total expenditures and balances.....		400,000	199,500

Administrative expenses, employees' life insurance fund, Civil Service Commission (limitation) (under existing legislation, 1957).—A proposed increase in limitation of \$76,500 for 1957 is anticipated to meet the continuing cost of assuming assets and liabilities of beneficial associations.

Salaries and expenses, Railroad Retirement Board (under existing legislation, 1957).—Increase in the limitation will be required in 1957 in the amount of \$850,000 to carry out Public Law 1013, approved August 7, 1956, which increased benefits generally, and Public Law 880, approved August 1, 1956, broadening the scope and content of the old-age and survivors insurance program.

Small Business Administration (under proposed legislation).—An appropriation of \$50 million is proposed for later transmission for 1957 for continuation of the small business lending programs. This request is contingent upon approval by the Congress of a proposed amendment to the Small Business Act of 1955 increasing the limitation on the amount of business loans outstanding at any one time.

Appropriations totaling \$77,500,000 are proposed for later transmission for 1958 for continuation of the small business assistance programs, including an additional amount for the lending program. These requests are contingent upon approval by the Congress of proposed legislation extending the basic statutory authority.

BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE			
Proposed supplemental appropriation.....		\$50,000,000	\$77,500,000
Receipts from operations.....		4,771,529	23,315,200
Balance brought forward:			
Unobligated: Appropriation.....			1,108,397
Obligated: Appropriation.....			28,235,302
Total budget authorizations and receipts available.....		54,771,529	130,158,899

PROPOSED FOR LATER TRANSMISSION

Payments to States, Hawaii, Alaska, and Puerto Rico, Agricultural Research Service (under existing legislation, 1957).—Public Law 705, approved July 14, 1956, provides that the Post Office Department shall be reimbursed from appropriations made specifically therefor for the cost of penalty mail incurred by State agricultural experiment stations. An anticipated supplemental appropriation in the amount of \$250,000 is included in the budget for this purpose.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Proposed supplemental appropriation.....		\$250,000	
Obligated balance brought forward.....			\$65,000
EXPENDITURES AND BALANCES			
Total expenditures—			
Out of current authorizations.....		185,000	
Out of prior authorizations.....			65,000
Obligated balance carried forward.....		65,000	
Total expenditures and balances.....		250,000	65,000

Salaries and expenses, Federal Extension Service (under existing legislation, 1957).—Public Law 705, approved July 14, 1956, provides that the Post Office Department shall be reimbursed from appropriations made specifically therefor for the cost of penalty mail incurred by State extension service directors. An anticipated supplemental appropriation in the amount of \$514,000 is included in the budget for this purpose.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$514,000	
Obligated balance brought forward.....			\$127,000
EXPENDITURES AND BALANCES			
Total expenditures—			
Out of current authorizations.....		387,000	
Out of prior authorizations.....			127,000
Obligated balance carried forward.....		127,000	
Total expenditures and balances.....		514,000	127,000

Salaries and expenses, Forest Service (under existing legislation, 1957).—An anticipated supplemental appropriation in the amount of \$6,500,000 is included in the budget for fighting fires.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Proposed supplemental appropriation.....		\$6,500,000	
Obligated balance brought forward.....			\$800,000
EXPENDITURES AND BALANCES			
Total expenditures—			
Out of current authorizations.....		5,700,000	
Out of prior authorizations.....			800,000
Obligated balance carried forward.....		800,000	
Total expenditures and balances.....		6,500,000	800,000

Emergency conservation measures, Agricultural Conservation Program Service (under existing legislation, 1957).—Authorization is included in the budget to use not more than \$25 million of the balances from the 1956 appropriation for "Agricultural conservation program" to make payments to farmers for emergency conservation measures and to reimburse the appropriation to the President for "Disaster relief" for advances made for this purpose.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Balance transferred from "Agricultural conservation program, Agriculture".....		\$25,000,000	
Balance brought forward:			
Unobligated.....			\$10,000,000
Obligated.....			7,000,000
Total budget authorizations available.....		25,000,000	17,000,000
EXPENDITURES AND BALANCES			
Total expenditures—			
Out of current authorizations.....		8,000,000	
Out of prior authorizations.....			12,000,000
Balance carried forward:			
Unobligated.....		10,000,000	
Obligated.....		7,000,000	5,000,000
Total expenditures and balances.....		25,000,000	17,000,000

Loans, Farmers' Home Administration (under existing legislation, 1957).—A proposed increase of \$26 million in the loan authorization for farm ownership loans is included in the budget, making a total of \$50 million available for direct loans under this program.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Proposed increase in authorization to expend from debt receipts.....		\$26,000,000	
Obligated balance brought forward.....			\$8,000,000
EXPENDITURES AND BALANCES			
Total expenditures—			
Out of current authorizations to expend from debt receipts.....		18,000,000	
Out of prior authorizations to expend from debt receipts.....			8,000,000
Obligated balance carried forward.....		8,000,000	
Total expenditures and balances.....		26,000,000	8,000,000

Salaries and expenses, Office of the Secretary of Agriculture (under existing legislation, 1957).—Authority will be requested to transfer to this appropriation from other accounts the amount of \$23,400 to meet increased costs.

Disaster loans, etc., revolving fund, Department of Agriculture (under existing legislation, 1957).—It is anticipated that authority to use not to exceed \$25 million of this fund to provide emergency feed assistance to farmers and ranchers, as authorized by section 2 (d) of the act of April 6, 1949, will be requested in 1957.

PROPOSED FOR LATER TRANSMISSION—Continued

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Unobligated balance under "Disaster loans, etc., revolving fund, Department of Agriculture" transferred from the schedule shown on p. 398.....		\$10,000,000	
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....		10,000,000	

Loans, Farmers' Home Administration (under proposed legislation, 1958).—Legislation will be proposed to increase the annual limitation for farm ownership loans under title I of the Bankhead-Jones Act from \$50 million

to \$125 million. It is estimated that an additional \$25 million will be required for such loans during 1958, making a total of \$75 million available for direct loans under this program.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Proposed increase in authorization to expend from debt receipts.....			\$25,000,000
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations to expend from debt receipts).....			16,000,000
Obligated balance carried forward.....			9,000,000
Total expenditures and balances.....			25,000,000

INTRODUCTION TO PART III

Part III of the budget contains summary tables on trust and deposit funds, and detailed schedules and explanatory statements on the various trust funds.

TRUST AND DEPOSIT FUNDS DISTINGUISHED

The funds which are covered in the summary tables in this part of the budget are of two types, as follows:

Trust funds are those funds which are established to account for receipts which are held in trust by the Government for use in carrying out specific purposes and programs in accordance with a trust agreement or a statute. Within the category of trust funds, there is a small subcategory of *trust revolving funds*, which are trust funds used to carry on a cycle of business-type operations, including certain corporations which are partly owned by the Government and partly by private interests.

Deposit funds are those funds which are established to account for collections that are either (a) held in suspense temporarily and later refunded or paid into some other fund of the Government, or (b) held by the Government as banker or agent for others, being paid out in lump sums at the direction of the owner. Such funds are not available for paying salaries, expenses, grants, or other expenditures of the Government.

While the transactions in these groups of funds are a part of the financial program of the Government, the trust and deposit funds are not fully owned by the Government; hence these transactions are excluded from the budget totals.

TRUST FUND RECEIPTS, AUTHORIZATIONS AND EXPENDITURES

Basis of stating trust receipts.—Table 8 summarizes trust fund receipts, and table 9 gives figures by agency and account. Such receipts include cash (and U. S. securities received in lieu of cash) for the trust funds, including contributions to the trust funds from the general fund. The conversion of U. S. Government securities on hand into cash is excluded from receipts, but such sales and redemptions are listed in special analysis K of part IV on a net basis.

Trust authorizations.—Trust fund receipts must be appropriated before they can be spent. These appropriations are summarized in table 8 and listed in table 10.

Most trust funds are appropriated by permanent law, not requiring further action by Congress. Usually the appropriations equal the receipts of the year. In a few cases receipts of trust funds can be spent only in accordance with appropriations enacted by Congress from year to year. Examples are the highway trust fund, funds of the Soldiers' Home, and the municipal revenues of the District of Columbia (which are accounted for as trust

funds by the Federal Government). In a few other cases trust fund receipts are permanently appropriated for benefit payments, but limitations on administrative expenses payable out of the trust funds are imposed by annual action of the Congress.

Basis of stating trust expenditures.—Table 8 summarizes the trust fund expenditures, and table 10 gives figures by agency and account. These expenditures are stated on a checks-issued basis, less refunds collected. Net investments in United States Government securities are excluded from the figures, and are listed in special analysis K of part IV.

Trust revolving funds.—The small group of funds which constitute trust revolving funds represent an exception to the basis stated immediately above. The collections of trust revolving funds, instead of being taken into the tables as receipts and authorizations, are deducted from expenditures; thus the expenditures of such funds are stated on a net basis.

DEPOSIT FUND EXPENDITURES

Tables 8 and 10 include total figures on deposit fund expenditures, and table 11 gives a breakdown of such figures and of balances by department or agency. These expenditures are on a net basis; that is, the collections are deducted from checks issued, and the resulting figure is shown as an expenditure. Checks issued include those written to move money into other funds, as well as those written for refunds and the return of money to depositors. When the collections are larger than the checks issued, the amount shown as an expenditure is a negative item.

NET ACCUMULATION IN TRUST AND DEPOSIT FUNDS

Table 8 shows the net accumulation in all the trust and deposit funds. This represents the result obtained when the trust and deposit fund expenditures are subtracted from the trust receipts of the year. Since trust and deposit funds, as well as Federal funds, affect the total cash balance of the Treasury and the total public debt, the final figures on table 8 are carried forward into table 4 of part I.

DETAIL OF TRUST FUND ESTIMATES

The detailed material following table 10 covers the trust funds which do not require annual action by Congress (those requiring annual authorizations or limitations are in part II). Consolidated schedules are used for the smaller trust funds of each bureau or independent agency. The material here follows the general format of the similar material in part II. However, no appropriation language appears here, and the narrative statement of "Program and performance" usually consists only of an explanation of the sources of money for the fund, the purposes for which it is authorized to be spent, and the legal citations.

TABLE 8
SUMMARY OF TRUST RECEIPTS, EXPENDITURES, AND APPROPRIATIONS

Based on existing and proposed legislation

Description	1956 actual	1957 estimate	1958 estimate
TRUST FUND RECEIPTS (see table 9 for detail):			
Federal disability insurance trust fund.....		\$346,000,000	\$881,000,000
Federal employees' retirement funds.....	\$1,025,428,775	1,340,753,000	1,393,530,000
Federal old-age and survivors insurance trust fund.....	7,003,391,123	7,313,217,389	7,504,508,253
Highway trust funds.....		1,540,800,000	2,185,400,000
Railroad retirement account.....	739,273,365	765,443,768	775,500,000
Unemployment trust fund.....	1,728,100,913	1,804,457,487	1,885,640,500
Veterans' life insurance funds.....	721,826,741	676,141,226	675,723,707
Other trust funds.....	467,301,777	550,545,578	557,584,844
Total, trust fund receipts.....	11,685,322,694	14,337,358,448	15,858,887,304
TRUST FUND EXPENDITURES (see table 10 for detail):			
Federal disability insurance trust fund.....		18,647,693	312,872,738
Federal employees' retirement funds.....	506,675,753	565,517,730	598,026,000
Federal old-age and survivors insurance trust fund.....	5,551,283,822	6,468,940,824	7,365,633,977
Highway trust funds.....		1,150,300,000	1,806,365,000
Railroad retirement account.....	610,631,596	692,000,000	739,000,000
Unemployment trust fund.....	1,392,646,525	1,504,420,000	1,534,420,000
Veterans' life insurance funds.....	599,266,153	608,198,542	626,030,000
Other trust funds: Miscellaneous trust expenditures.....	535,081,525	917,553,776	1,183,044,637
Deposit funds (net).....	238,767,307	44,381,222	185,440,554
Total, trust fund expenditures.....	9,434,352,681	11,969,959,787	14,350,832,906
Net accumulations in trust funds.....	2,250,970,013	2,367,398,661	1,508,054,398
Net increase or decrease (—) in cash balances due to trust fund debt and investment transactions (from special analysis K).....	—2,417,337,873	—2,423,986,496	—1,752,844,082
Change in cash position resulting from trust fund transactions.....	—166,367,860	—56,587,835	—244,789,684
TRUST FUND APPROPRIATIONS (see table 10 for detail):			
Federal disability insurance trust fund.....		346,000,000	881,000,000
Federal employees' retirement funds.....	1,025,423,889	1,340,753,000	1,393,530,000
Federal old-age and survivors insurance trust fund.....	7,003,705,838	7,313,217,389	7,504,508,253
Highway trust funds.....		1,540,800,000	2,185,400,000
Railroad retirement account.....	735,917,133	768,800,000	775,500,000
Unemployment trust fund.....	1,728,100,913	1,804,457,487	1,885,640,500
Veterans' life insurance funds.....	721,826,741	676,141,226	675,723,707
Other trust funds.....	497,248,449	578,751,518	583,042,512
Total, trust fund appropriations.....	11,712,222,963	14,368,920,620	15,884,344,972

SUMMARY OF MAJOR TRUST FUND BALANCES AVAILABLE AT START OF YEAR

(Including U. S. Government securities held)

	1956	1957	1958	1959
Federal disability insurance trust fund.....			\$327,352,307	\$895,479,569
Federal employees' retirement funds.....	\$6,209,604,148	\$6,728,352,284	7,503,587,554	8,299,091,554
Federal old-age and survivors insurance trust fund.....	21,140,642,440	22,593,064,456	23,437,341,021	23,576,215,297
Highway trust funds.....			390,500,000	769,535,000
Railroad retirement account.....	3,533,609,683	3,658,895,220	3,735,095,220	3,772,195,220
Unemployment trust fund.....	8,454,319,528	8,789,773,916	9,089,811,403	9,441,031,903
Veterans' life insurance funds.....	6,586,890,089	6,709,450,677	6,777,393,361	6,827,087,068
Total.....	45,925,065,888	48,479,536,553	51,261,680,866	53,580,635,611

TABLE 9
TRUST RECEIPTS

BY AGENCY AND RECEIPT TITLE

Based on existing and proposed legislation

Agency and receipt title	1956 actual	1957 estimate	1958 estimate
Legislative branch:			
Contributions to Library of Congress gift fund.....	\$484,265	\$470,000	\$495,000
Contributions to Library of Congress trust fund, permanent loan account.....	683,502	217,152	116,000
Deposits, cataloging project, Copyright Office, Library of Congress.....	9,392	9,400	9,400
Deposits, service fees, Library of Congress.....	426,006	435,000	450,000
Income on Library of Congress trust fund, investment account.....	21,959	16,900	13,500
Interest on bequest of Gertrude M. Hubbard, Library of Congress.....	800	800	800
Interest on Library of Congress trust fund, permanent loan.....	126,094	144,750	149,000
Contributions to Library of Congress trust fund, investment account.....	45,800		
Total, legislative branch.....	1,797,818	1,294,002	1,233,700
The Judiciary:			
Contributions, judicial survivors annuity fund.....		680,000	660,000
Funds appropriated to the President:			
Deposits, advances, Mutual Security Act, Executive.....	106,003,097	156,154,778	165,315,000
Deposits, Philippine assistance, International Cooperation Administration.....	750,000	700,000	
Deposits, technical assistance, United States dollars advanced from foreign governments, International Cooperation Administration.....	401,780	400,000	
Deposits, advances for economic assistance, International Cooperation Administration.....	300,125	300,000	
Total, funds appropriated to the President.....	107,455,002	157,554,778	165,315,000
Independent Offices:			
American Battle Monuments Commission: Contributions, flower fund.....	1,938	2,000	2,000
Civil Service Commission:			
Civil service retirement and disability fund:			
Interest and profit on investment.....	211,829,113	224,840,000	233,011,000
Deductions from employees salaries, etc.....	570,953,818	582,695,000	586,768,000
Payments from other funds:			
Appropriation specifically for payment to the fund.....	233,000,000	525,000,000	
District of Columbia.....	2,640,000	2,805,000	3,823,000
Appropriations and funds available for payment of employees.....	1,612,793	1,241,000	565,791,000
Total, civil service retirement and disability fund.....	1,020,035,724	1,336,581,000	1,389,393,000
Federal Power Commission: Licenses under Federal Power Act from Indian reservations.....	179,763	179,831	329,763
Foreign Claims Settlement Commission: Deposits, war claims fund.....	* 50,550		5,000,000
General Accounting Office: Deposits, proceeds from estates of American citizens who die abroad.....	1,137	1,000	1,000
National Capital Planning Commission: Contributed fund.....	100,000	607,000	975,000
National Science Foundation: Donations.....	1,600	500	
Railroad Retirement Board:			
Railroad retirement account:			
Transfer from general fund receipts.....	634,261,857	656,643,768	665,000,000
Interest and profits on investments.....	105,011,508	108,800,000	110,500,000
Total, railroad retirement account.....	739,273,365	765,443,768	775,500,000
Railroad unemployment insurance administration fund.....	1 6,416,296	7,241,543	7,873,862
Total, Railroad Retirement Board.....	745,689,661	772,685,311	783,373,862
Smithsonian Institution: Deposits, Canal Zone biological area fund.....	8,361	8,500	10,000
Veterans Administration:			
Adjusted-service certificate fund:			
Interest on investments.....	184,353	90,000	
Interest on loans.....	104		
Total, adjusted-service certificate fund.....	184,457	90,000	
Deposits, general post fund, national homes.....	1,202,558	1,160,000	1,160,000
Veterans life insurance funds:			
Government life insurance fund:			
Premiums and other receipts.....	30,327,906	29,068,139	28,537,000
Interest on investments.....	42,191,037	41,075,000	40,480,000
Total, Government life insurance fund.....	72,518,943	70,143,139	69,017,000

* Deduct, adjustment of prior year receipts.

Includes adjustment of \$206,203 applicable to prior year receipts.

TABLE 9—Continued
TRUST RECEIPTS—Continued
BY AGENCY AND RECEIPT TITLE—Continued

Agency and receipt title	1956 actual	1957 estimate	1958 estimate
Independent Offices—Continued			
Veterans Administration—Continued			
Veterans life insurance funds—Continued			
National service life insurance fund:			
Premium and other receipts.....	\$410,211,039	\$421,265,047	\$427,277,135
Interest on investments.....	160,669,823	163,500,000	165,775,000
Payments from general and special funds.....	78,426,936	21,233,040	13,654,572
Total, national service life insurance fund.....	649,307,798	605,998,087	606,706,707
Total, Veterans Administration.....	723,213,756	677,391,226	676,883,707
Total, independent offices.....	2,489,181,390	2,787,456,368	2,855,968,332
General Services Administration:			
Deposits, American National Red Cross, District of Columbia Chapter Building.....	884		
Donations, National Archives gift fund.....	23,789	25,000	25,000
Total, General Services Administration.....	24,673	25,000	25,000
Department of Agriculture:			
Deposits, feed and attendants for animals in quarantine.....	14,435	19,000	19,000
Deposits for fees, inspection and grading of farm products.....	16,519,979	16,165,000	16,700,000
Deposits of miscellaneous contributed funds, Extension Service.....	3,667	3,500	3,500
Deposits, technical services and other assistance, agricultural conservation program, Soil Conservation Service, act of June 29, 1949.....	7,002,645	7,500,000	7,500,000
Forest Service cooperative fund.....	11,559,718	12,500,000	13,000,000
Miscellaneous contributed funds, Forest Service.....	40,000		
Miscellaneous contributed funds, Soil Conservation Service.....	143,047	150,000	150,000
Miscellaneous contributed funds, Agricultural Marketing Service.....	73,156	74,730	71,730
Miscellaneous contributed funds, Office of Information.....	12,420	14,000	14,000
Miscellaneous contributed funds, Agricultural Research Service.....	222,759	215,500	164,555
Miscellaneous contributed funds, Commodity Stabilization Service.....	51,497	50,000	50,000
Total, Department of Agriculture.....	35,643,323	36,691,730	37,672,785
Department of Commerce:			
Contributions from States, etc., cooperative work, forest highways, Bureau of Public Roads.....	136,000	125,000	125,000
Contributed funds, highway for Alaska.....		1,500,000	1,350,000
Deposits, equipment, supplies, etc., for cooperative counties, Bureau of Public Roads.....	1,714,796	2,500,000	5,000,000
Deposits, gifts and bequests, National Bureau of Standards.....	152,121	100,000	100,000
Deposits, gifts and donations, Civil Aeronautics Administration.....	32,021	97,383	50,000
Deposits, special statistical work, Census.....	1,487,964	1,799,631	1,635,000
Deposits, special statistical work, Business and Defense Services Administration.....	13,806	13,000	10,000
Deposits, special statistical work, Weather Bureau.....	32,176	15,168	
Deposits, transcripts of studies, tables, and other records, Business and Defense Services Administration.....	179,628	203,000	203,000
Donations for chapel and library, United States Merchant Marine Academy, Kings Point, N. Y.....	1,685	2,000	2,000
Funds contributed for improvement of roads, bridges, trails, Alaska.....	728,813	500,000	
Highway trust fund:			
Interest and profits on investments.....		1,800,000	12,400,000
Transfer from general fund receipts.....		1,639,000,000	2,173,000,000
Total highway trust fund.....		1,540,800,000	2,185,400,000
United States dollars advanced from foreign governments for technical assistance.....	1,005,940	1,500,000	1,500,000
Total, Department of Commerce.....	5,484,950	1,549,155,182	2,195,375,000
Department of Defense—Military Functions:			
Department of the Army:			
Deposits, advances for supplies and expenses, United Nations Korean Reconstruction Agency.....	965,000		
Deposits, Kermit Roosevelt fund.....	1,305		
Deposits, U. S. Department of the Army, general gift fund.....	5,069	5,000	5,000
Funds contributed by States for National Guard armory construction.....	50,024	125,000	400,000
Interest on investments, bequest of Major General Fred C. Ainsworth to Walter Reed General Hospital.....	142	285	285
Total, Department of the Army.....	1,021,540	130,285	405,285

TABLE 9—Continued
TRUST RECEIPTS—Continued
BY AGENCY AND RECEIPT TITLE—Continued

Agency and receipt title	1956 actual	1957 estimate	1958 estimate
Department of Defense—Military Functions—Continued			
Department of the Navy:			
Contributions to Office of Naval Records and Library fund.....	\$6,069	\$4,500	\$4,500
Contributions to United States Naval Academy Museum fund.....	824	3,500	600
Contributions to United States Naval Academy general gift fund.....	7,505	7,600	2,600
Proceeds, civic fund, naval reservation, Olongapo, Philippine Islands.....	670,392	609,350	642,300
United States Navy general gift fund.....		50	
Total, Department of the Navy.....	684,790	625,000	650,000
Total, Department of Defense—Military Functions.....	1,706,330	755,285	1,055,285
Department of Defense—Civil Functions:			
Department of the Army:			
Advances, rivers and harbors.....	1,881,800		
Contributions, rivers and harbors.....	16,671,766	10,617,615	19,046,360
Soldiers' Home permanent fund:			
Army.....	9,208,585	6,920,000	6,882,000
Air Force.....	3,486,047	2,944,000	2,745,000
Total, Soldiers' Home permanent fund.....	12,694,632	9,864,000	9,627,000
Total, Department of Defense—Civil Functions.....	31,248,198	20,481,615	28,673,360
Department of Health, Education, and Welfare:			
Contributions, conditional gift fund, Freedmen's Hospital.....	757		
Deposits, patients' benefit fund, Public Health Service hospitals.....	21,302	20,000	20,000
Deposits, patients' benefit fund, Saint Elizabeths Hospital.....	3,489	5,100	300
Contributions and interest, Public Health Service conditional gift fund.....	33,447	50,000	15,000
Contributions and interest, Public Health Service unconditional gift fund.....	12,629	12,000	12,000
Total, Department of Health, Education, and Welfare.....	71,624	87,100	47,300
Department of the Interior:			
Advances for authorized services, Geological Survey.....	1,020,460	1,000,000	1,000,000
Contributions, Bureau of Land Management.....	208,076	200,000	200,000
Contributions, Bureau of Mines.....	959,414	900,000	400,000
Contributions for construction of electric transmission lines and substations, Bonneville power project.....	645,120	300,000	
Contributions of funds for Indian projects.....	11,302		
Contributions to national park trust fund.....	3,278	2,500	2,500
Deposits, contributed funds, Fish and Wildlife Service.....	93,053	720,778	743,600
Deposits, proceeds of labor, Indian moneys, agencies, school, etc.....	4,114,282	3,766,000	3,525,000
Deposits, public survey work.....	28,207	25,000	25,000
Deposits, reclamation trust funds.....	695,447	770,269	714,200
Donations to National Park Service.....	617,174	550,000	550,000
Income on investments, national park trust fund.....	461	461	461
Indian trust funds.....	58,072,976	50,000,000	40,000,000
Interest on endowment fund, preservation birthplace of Abraham Lincoln.....	1,585	1,585	1,585
Receipts, trustee, Alaska townsites.....	20,122	20,000	20,000
Total, Department of the Interior.....	66,490,957	58,256,593	47,182,346
Department of Labor:			
Receipts under Longshoremen's and Harbor Workers' Compensation Act, as amended.....	31,548	35,000	35,000
Receipts under Workmen's Compensation Act within the District of Columbia.....	3,924	5,000	5,000
Deposits, special statistical work, Bureau of Labor Statistics.....	97,298	46,879	
Total, Department of Labor.....	132,770	86,879	40,000
Department of State:			
United States dollars advanced from foreign governments, United States international and educational exchange program.....	675,864	300,000	300,000
Collections from shipping companies for repatriation of American seamen.....	151		
Foreign Service retirement and disability fund:			
Deductions from employees' salaries, etc.....	3,475,029	2,090,000	1,630,000
Interest on investments.....	682,022	778,000	840,000
Payments from general fund, appropriation specifically for payment to the fund.....	1,236,000	1,304,000	1,667,000
Total, Foreign Service retirement and disability fund.....	5,393,051	4,172,000	4,137,000
Total, Department of State.....	6,068,764	4,472,000	4,437,000

* Deduct, adjustment of prior year receipts.

TABLE 9—Continued
TRUST RECEIPTS—Continued
 BY AGENCY AND RECEIPT TITLE—Continued

Agency and receipt title	1956 actual	1957 estimate	1958 estimate
Treasury Department:			
Deposits, duties, and taxes, Puerto Rico, Bureau of Customs.....	\$6,014,092	\$6,100,000	\$6,100,000
Deposits, duties, and taxes, Virgin Islands, Bureau of Customs.....	289,457	280,000	280,000
Deposits for expenses, enforcement title III, National Prohibition Act, as amended, Puerto Rico and Virgin Islands.....	144,323	142,749	125,670
Deposits, Bulgarian claims fund.....		3,087,500	
Deposits, Hungarian claims fund.....		3,016,250	
Deposits, Rumanian claims fund.....		21,090,000	
Deposits, Italian claims fund.....	4,750,000		
Deposits, Soviet claims fund.....	8,658,722		
Deposits of collections, Mexican claims fund.....	1,500,000		
Deposits of unclaimed moneys of individuals whose whereabouts are known.....	5,023	5,100	5,100
National defense conditional gift fund.....	7,099		
Federal disability insurance trust fund:			
Transfer from general fund receipts.....		335,000,000	826,000,000
Deposits by States.....		10,000,000	40,000,000
Interest on investments.....		1,000,000	15,000,000
Total, Federal disability insurance trust fund.....		346,000,000	881,000,000
Federal old-age and survivors insurance trust fund:			
Transfer from general fund receipts.....	6,336,804,603	6,445,000,000	6,609,000,000
Deposits by States.....	171,565,577	305,000,000	320,000,000
Interest on investments.....	487,450,075	557,877,389	572,408,253
Interest payments from railroad retirement account.....	7,439,000	5,220,000	3,000,000
Other.....	131,868	120,000	100,000
Total, Federal old-age and survivors insurance trust fund.....	7,003,391,123	7,313,217,389	7,504,508,253
Interest and profits on investments, Pershing Hall memorial fund.....	4,978	4,978	4,978
U. S. Coast Guard general gift fund.....	4,800	3,113	3,225
Pre-1934 bonds of the Government of the Philippines.....	146,696	145,000	138,000
Proceeds of sales of unclaimed, abandoned, and seized goods, Bureau of Customs.....	212,428	215,000	215,000
Unclaimed moneys of individuals whose whereabouts are unknown.....	1,079,553	205,100	205,100
Unemployment trust fund:			
Deposits by States (net).....	1,330,147,249	1,440,000,000	1,480,000,000
Deposits by Railroad Retirement Board.....	27,627,032	77,000,000	97,000,000
Transfer of receipts from Railroad Unemployment Insurance Administration fund.....	3,606,203	2,400,000	3,000,000
Interest on investments.....	198,912,838	223,020,200	253,091,211
Payment from general fund.....	167,807,591	62,037,287	52,549,289
Total, unemployment trust fund.....	1,728,100,913	1,804,457,487	1,885,640,500
Total, Treasury Department.....	8,754,309,207	9,497,969,666	10,278,225,826
District of Columbia:			
Revenues.....	165,803,833	199,833,600	217,471,920
Payment from general fund, Federal payment.....	19,892,700	22,558,650	25,504,450
Total, District of Columbia.....	185,696,533	222,392,250	242,976,370
Increment resulting from reduction in the weight of the gold dollar.....	11,155		
Total, trust fund receipts.....	11,685,322,694	14,337,358,448	15,858,887,304

TABLE 10
TRUST APPROPRIATIONS AND EXPENDITURES

BY AGENCY AND ACCOUNT TITLE

Based on existing legislation

Agency and account title		Functional code	APPROPRIATIONS			EXPENDITURES		
			1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
Legislative branch:								
Library of Congress: Gift and trust fund income accounts:								
Cataloging project, Copyright Office.....		500	\$9,392	\$9,400	\$9,400	\$5,536	\$6,994	\$7,342
Library of Congress gift fund.....		200	484,265	470,000	495,000	478,047	566,484	504,721
Library of Congress trust fund, income from investment account.....		200	21,959	16,900	13,500	6,991	8,159	8,566
Payment of interest on bequest of Gertrude M. Hubbard, Library of Congress.....		650	800	800	800	397	1,165	1,224
Payment of interest on permanent loan, Library of Congress.....		650	126,094	144,750	149,000	98,690	116,560	122,370
Service fees, Library of Congress.....		200	426,006	435,000	450,000	393,815	466,242	489,483
Library of Congress trust fund, permanent loan.....		200	683,502	217,152	116,000			
Library of Congress trust fund, investment account.....		200	45,800					
Total, legislative branch.....			1,797,818	1,294,002	1,233,700	983,476	1,165,604	1,223,706
The judiciary:								
Judicial survivors annuity fund.....		600		680,000	660,000		188,000	227,000
Funds appropriated to the President:								
Mutual security:								
Advances for economic assistance, International Cooperation Administration.....		150	300,125	300,000		62,126	549,300	
Advances, Mutual Security Act, Executive.....		050	106,003,097	156,154,778	165,315,000	141,222,721	205,000,000	253,000,000
Philippine assistance, International Cooperation Administration.....		150	750,000	700,000		1,347,732	1,700,000	1,300,213
Technical assistance, United States dollars advanced from foreign governments, International Cooperation Administration.....		150	401,780	400,000		794,336	544,932	
Total, funds appropriated to the President.....			107,455,002	157,554,778	165,315,000	143,426,915	207,794,232	254,300,213
Independent offices:								
American Battle Monuments Commission: Contributed flower fund.....		100	1,938	2,000	2,000	1,831	2,000	2,000
Civil Service Commission:								
Civil service retirement and disability fund.....		200	1,020,035,724	1,336,581,000	1,389,393,000	504,247,302	562,863,730	595,246,000
Employees' life insurance fund.....		200				• 5,109,504	• 1,278,129	• 12,048,500
Farm Credit Administration: Operating fund, Federal intermediate credit banks.....		350					86,892,842	42,489,700
Foreign Claims Settlement Commission: War claims fund.....		600			5,000,000	10,577,455	29,351,836	7,415,000
General Accounting Office: Proceeds from estates of American citizens who die abroad.....		600	1,137	1,000	1,000	3,302	2,000	2,000
National Capital Housing Authority: Operation and maintenance, properties aided by Public Housing Administration.....		500				512,426	493,200	• 263,000
National Capital Planning Commission: Contributed fund.....		600	100,000	607,000	975,000	76,322	665,857	845,654
National Science Foundation: Donations.....		200	1,600	500			500	500
Railroad Retirement Board:								
Railroad retirement account.....		200	735,917,133	768,800,000	775,500,000	610,631,596	692,000,000	739,000,000
Railroad unemployment insurance administration fund.....		200	6,622,499	7,241,543	7,873,862	6,791,582	7,200,000	7,800,000
Smithsonian Institution: Canal Zone biological area fund.....		200	8,361	8,500	10,000	9,292	9,434	10,500
Veterans Administration:								
National service life insurance fund.....		100	649,307,798	605,998,087	606,706,707	511,972,575	520,142,542	539,700,000
United States Government life insurance fund.....		100	72,518,943	70,143,139	69,017,000	87,293,578	88,056,000	86,330,000
Adjusted-service certificate fund.....		100	184,457	90,000		218,214	200,000	200,000
General post fund, national homes.....		100	1,202,558	1,160,000	1,160,000	1,035,104	2,769,090	1,749,000
Total, independent offices.....			2,485,902,148	2,790,632,769	2,855,638,569	1,728,261,075	1,989,370,902	2,008,478,854

• Deduct, excess of repayments and collections over expenditures.

TABLE 10—Continued
TRUST APPROPRIATIONS AND EXPENDITURES—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code	APPROPRIATIONS			EXPENDITURES		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
General Services Administration:							
Real property activities: American National Red Cross, District of Columbia Chapter Building, public buildings.....	600	\$884			\$3,300		
Personal property activities: Advances for supplies and expenses, United Nations Korean Reconstruction Agency.....	150				87,439	\$131,268	
Records activities:							
Franklin D. Roosevelt Library fund.....	200				8,536	10,775	\$3,000
National Archives trust fund.....	600				12,479	8,744	6,600
National Archives gift fund.....	600	23,789	\$25,000	\$25,000	21,643	24,000	24,000
Total, General Services Administration.....		24,673	25,000	25,000	108,439	157,299	20,400
Housing and Home Finance Agency:							
Secondary market operations, Federal National Mortgage Association.....	500				111,661,835	272,117,513	500,000,000
Department of Agriculture:							
Agricultural Research Service:							
Expenses, feed and attendants for animals in quarantine.....	350	14,435	19,000	19,000	24,564	25,000	19,000
Expenses and refunds, inspection and grading of farm products.....	350	668,851	350,000	370,000	26,869	975,000	420,000
Miscellaneous contributed funds.....	350	222,759	215,500	164,555	184,197	150,000	170,000
Extension Service: Miscellaneous contributed funds.....	350	3,667	3,500	3,500	4,988	4,451	3,500
Forest Service:							
Cooperative work.....	400	11,559,718	12,500,000	13,000,000	9,430,044	10,830,000	11,870,000
Miscellaneous contributed funds.....	350	40,000			78,671	60,000	4,000
Soil Conservation Service:							
Technical services and other assistance, agricultural conservation program, Soil Conservation Service.....	350	7,002,645	7,500,000	7,500,000	7,391,773	7,475,000	7,550,000
Miscellaneous contributed funds.....	350	143,047	150,000	150,000	468,891	325,000	150,000
Agricultural Marketing Service:							
Expenses and refunds, inspection and grading of farm products.....	350	15,851,128	15,815,000	16,330,000	14,736,979	15,759,200	16,329,000
Miscellaneous contributed funds.....	350	73,156	74,730	71,730	77,128	74,000	72,000
Foreign Agricultural Service: Expenses of foreign students.....	150				121		
Commodity Stabilization Service: Miscellaneous contributed funds.....	350	51,497	50,000	50,000	141,402	98,000	60,000
Farmers' Home Administration: State rural rehabilitation funds.....	350				1,149,154	197,210	125,250
Office of Information: Miscellaneous contributed funds.....	350	12,420	14,000	14,000	23,743	16,244	16,000
Total, Department of Agriculture.....		35,643,323	36,691,730	37,672,785	33,738,524	35,989,105	36,538,250
Department of Commerce:							
Bureau of Census: Special statistical work.....	200	1,487,964	1,799,631	1,635,000	1,343,709	1,577,918	1,695,000
Civil Aeronautics Administration: Gifts and donations.....	500	32,021	97,383	50,000	85,749	104,430	54,125
Business and Defense Services Administration:							
Expenses, transcripts of studies, tables, and other records.....	500	179,628	203,000	203,000	141,544	200,104	203,000
Special statistical work.....	500	13,806	13,000	10,000	15,864	12,000	10,000
Bureau of Foreign Commerce: Special statistical work.....	500				451		
Maritime activities: United States Merchant Marine Academy, Kings Point, N. Y., donations for chapel and library.....	500	1,685	2,000	2,000			
Bureau of Public Roads:							
Contributed funds, highways for Alaska.....	500		1,500,000	1,350,000		680,000	1,105,000
Cooperative work, forest highways.....	500	136,000	125,000	125,000	68,765	150,000	150,000
Equipment, supplies, etc., for cooperating countries.....	150	1,714,796	2,500,000	5,000,000	440,021	2,500,000	3,500,000
Funds contributed for improvement of roads, bridges, and trails, Alaska.....	500	728,813	500,000		1,073,121	780,921	
Highway trust funds:							
Highway trust fund.....	500		390,500,000	379,035,000			
Federal-aid highways.....	500		800,000,000	1,690,000,000		800,000,000	1,690,000,000
Refunds and labor standards.....	500		300,000	116,365,000		300,000	116,365,000
Technical assistance, United States dollars advanced from foreign governments.....	150	1,005,940	1,500,000	1,500,000	899,552	1,500,000	1,500,000
National Bureau of Standards:							
Gifts and bequests.....	200	152,121	100,000	100,000	77,738	213,243	133,000
Advances and reimbursements.....	200				983	1,125	
Weather Bureau: Special statistical work.....	600	32,176	15,168		31,872	26,109	
Total, Department of Commerce.....		5,484,950	1,199,155,182	2,195,375,000	4,177,403	808,045,850	1,814,715,125

* Deduct, excess of repayments and collections over expenditures.

TABLE 10—Continued
TRUST APPROPRIATIONS AND EXPENDITURES—Continued
BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code	APPROPRIATIONS			EXPENDITURES		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
Department of Defense—Military Functions:							
Department of the Army:							
Advances for cost of delivery of surplus military property.....	050				\$116		
Advances for supplies and expenses, United Nations Korean Reconstruction Agency.....	050	\$965,000			1,382,042	\$619,098	\$145,650
Bequest of Major General Fred C. Ainsworth, Library, Walter Reed Hospital.....	050	142	\$285	\$285	302	350	350
Bequest of William F. Edgar, Museum and Library, Office of Surgeon General of the Army.....	050				338	43	
Kermit Roosevelt fund.....	050	1,305			1,305	90	
National Guard armory construction, State-contributed funds.....	050	50,024	125,000	400,000	79,616	119,000	350,000
Transportation, International Refugee Organization.....	050				285	7,419	
United States Department of the Army general gift fund.....	050	5,069	5,000	5,000	7,682	4,000	4,000
Department of the Navy:							
Naval reservation, Olongapo civic fund.....	050	670,392	609,350	642,300	780,580	654,100	661,750
Office of Naval Records and library fund.....	050	6,069	4,500	4,500			
United States Naval Academy general gift fund.....	050	7,505	7,600	2,600	6,111	10,700	3,000
United States Naval Academy museum fund.....	050	824	3,500	600	68	200	200
United States Department of the Navy general gift fund.....	050		50				50
Total, Department of Defense—Military Functions.....		1,706,330	755,285	1,055,285	2,258,445	1,415,000	1,165,000
Department of Defense—Civil Functions:							
Department of the Army:							
Rivers and harbors and flood control:							
Rivers and harbors advance fund.....	400	1,881,800			815,957	1,500,000	250,000
Rivers and harbors contributed fund.....	400	16,671,766	10,617,615	19,046,360	9,114,620	16,000,000	23,750,000
Advances and reimbursements, Army, Engineers, civil.....	400				1,748	2,726	
United States administration; Ryukyu Islands:							
Proceeds of remittances to and exports from Ryukyu Islands, Army.....	150				2,376	1,230	
United States Soldiers' Home:							
Maintenance and operation.....	100	4,537,000	6,564,000	4,750,000	5,274,707	5,024,230	6,465,100
Capital outlay.....							
Soldiers' Home permanent fund.....	100	6,237	6,500	6,500	6,237	6,500	6,500
United States Soldiers' Home revolving fund.....	100				3,044	10,000	10,000
Total, Department of Defense—Civil Functions.....		23,096,803	17,188,115	23,802,860	15,212,601	22,524,686	30,461,600
Department of Health, Education, and Welfare:							
Freedmen's Hospital: Conditional gift fund.....	200	757			399	1,035	
Public Health Service:							
Patients' benefit fund, Public Health Service hospitals.....	200	21,302	20,000	20,000	16,428	20,000	20,500
Public Health Service conditional gift fund.....	200	33,447	50,000	15,000	27,611	50,000	12,000
Public Health Service unconditional gift fund.....	200	12,629	12,000	12,000	1,203	21,000	31,500
Saint Elizabeths Hospital: Patients' benefit fund.....	200	3,489	5,100	300	434	8,435	435
Office of the Secretary: Advances and reimbursements.....	200				3,916		
Total, Department of Health, Education, and Welfare.....		71,624	87,100	47,300	49,991	100,470	64,435
Department of the Interior:							
Bonneville Power Administration: Construction of electric transmission lines and substations, contributions, Bonneville power project.....	400	645,120	300,000		83,124	700,000	233,526
Bureau of Land Management:							
Contributed funds.....	400	208,076	200,000	200,000	156,825	222,800	244,294
Expenses, public survey work.....	400	28,207	25,000	25,000	155,161	29,889	25,000
Trustee funds, Alaska townsites.....	400	20,122	20,000	20,000	279	484	1,000
Bureau of Indian Affairs:							
Indian moneys, proceeds of labor, agencies, schools, etc.....	600	4,114,282	3,766,000	3,525,000	4,621,336	3,799,783	3,600,000
Indian tribal funds.....	600	58,466,099	50,000,000	40,000,000	51,655,112	52,788,000	40,700,000
Bureau of Reclamation: Reclamation trust funds.....	400	695,447	770,269	714,200	666,823	900,000	700,000
Geological Survey: Advances, authorized services.....	400	1,020,460	1,000,000	1,000,000	956,904	1,000,000	1,000,000
Bureau of Mines: Contributed funds.....	400	959,414	900,000	400,000	746,443	900,000	600,000

• Deduct, excess of repayments and collections over expenditures.

TABLE 10—Continued
TRUST APPROPRIATIONS AND EXPENDITURES—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code	APPROPRIATIONS			EXPENDITURES		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
Department of the Interior—Continued							
National Park Service:							
National Park Service, donations.....	400	\$617, 174	\$550, 000	\$550, 000	\$621, 456	\$640, 050	\$930, 560
National Park trust fund.....	400	4, 000	2, 961	2, 961	6, 469	8, 950	3, 940
Preservation, birthplace of Abraham Lincoln.....	400	1, 585	1, 585	1, 585	5, 868	1, 000	1, 000
Fish and Wildlife Service:							
Contributed fund.....	400	93, 053	720, 778		102, 166	750, 000	31, 957
Contributed fund, Bureau of Sports Fisheries and Wildlife.....	400			41, 200			33, 200
Contributed fund, Bureau of Commercial Fisheries.....	400			652, 400			600, 000
Contributed fund, Office of the Commissioner.....	400			50, 000			46, 800
Total, Department of the Interior.....		66, 873, 039	58, 256, 593	47, 182, 346	59, 777, 966	61, 740, 956	48, 756, 277
Department of Justice:							
Federal Prison System: Commissary funds, Federal prisons.....	200				39, 405	* 6, 000	* 6, 000
Office of Alien Property:							
Alien property fund, World War I.....	600				2, 120	99, 976	
Alien property fund, World War II.....	600				* 36, 160, 759	* 82, 931, 550	* 39, 513, 000
Alien property fund, Philippines, World War II.....	150				26, 649	3, 242, 082	
International Claims Settlement Act, title II fund.....	600				* 14, 722, 677	* 10, 810, 000	19, 570, 000
Total, Department of Justice.....					* 50, 815, 262	* 90, 405, 492	* 19, 949, 000
Department of Labor:							
Bureau of Employees' Compensation:							
Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act as amended.....	600	31, 548	35, 000	35, 000	15, 082	55, 100	62, 400
Relief and rehabilitation, Workmen's Compensation Act, within the District of Columbia.....	600	3, 924	5, 000	5, 000	2, 816	3, 000	3, 000
Advances and reimbursements.....	600				* 2, 203	* 472	* 921
Bureau of Labor Statistics: Special statistical work.....	200	97, 298	46, 879		156, 705	131, 269	12, 802
Total, Department of Labor.....		132, 770	86, 879	40, 000	172, 400	188, 897	77, 281
Department of State:							
Administration of foreign affairs: Foreign Service retirement and disability fund.....	200	5, 388, 165	4, 172, 000	4, 137, 000	2, 428, 451	2, 654, 000	2, 780, 000
Educational exchange:							
Education of Iranian students in the United States.....	150				95	16, 706	
United States dollars advanced from foreign governments, United States information and educational exchange program.....	150	675, 864	300, 000	300, 000	226, 853	818, 252	300, 000
Total, Department of State.....		6, 064, 029	4, 472, 000	4, 437, 000	2, 655, 399	3, 488, 958	3, 080, 000
Treasury Department:							
Office of the Secretary:							
Federal disability insurance trust fund:							
Administrative expenses.....	200		346, 000, 000	881, 000, 000		18, 647, 693	22, 872, 738
Benefit payments.....							
Total, Federal disability insurance trust fund.....			346, 000, 000	881, 000, 000		18, 647, 693	312, 872, 738
Federal old-age and survivors insurance trust fund:							
Administrative expenses.....	200	7, 003, 705, 838	7, 313, 217, 389	7, 504, 508, 253	124, 408, 699	130, 198, 802	140, 610, 977
Construction.....					61, 876	742, 022	23, 000
Benefit payments.....					5, 360, 813, 247	6, 280, 000, 000	7, 165, 000, 000
Refunds of overpayments of payroll tax receipts.....					66, 000, 000	58, 000, 000	60, 000, 000
Total, Federal old-age and survivors insurance trust fund.....		7, 003, 705, 838	7, 313, 217, 389	7, 504, 508, 253	5, 551, 283, 822	6, 468, 940, 824	7, 365, 633, 977
Pershing Hall memorial fund.....	600	4, 978	4, 978	4, 978	4, 978	7, 467	4, 978
Unemployment trust fund:							
Railroad unemployment insurance account: Railroad benefits payments.....	200	1, 728, 100, 913	1, 804, 457, 487	1, 885, 640, 500	105, 682, 525	134, 420, 000	134, 420, 000
State accounts: Withdrawals by States.....					1, 286, 964, 000	1, 370, 000, 000	1, 400, 000, 000
Total, unemployment trust funds.....		1, 728, 100, 913	1, 804, 457, 487	1, 885, 640, 500	1, 392, 646, 525	1, 504, 420, 000	1, 534, 420, 000

* Deduct, excess of repayments and collections over expenditures.

TABLE 10—Continued
TRUST APPROPRIATIONS AND EXPENDITURES—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code	APPROPRIATIONS			EXPENDITURES		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
Treasury Department—Continued							
Bureau of Accounts:							
Bulgarian claims fund.....	600		\$3,087,500			\$78,000	\$116,000
Hungarian claims fund.....	600		3,016,250			305,000	678,000
Italian claims fund.....	600	\$4,750,000					4,750,000
Losses in melting gold.....	600	217	1,000	\$1,000	\$217	1,000	1,000
Mexican claims fund.....	600	1,500,000			1,582,850	187,388	
National defense conditional gift fund.....	050	7,099			8,583	149,500	
Panama claims fund.....	600				276,916	728	
Payment of pre-1934 bonds of the Government of the Philippines.....	600	146,696	145,000	138,000	286,301	302,897	938,918
Payment of unclaimed moneys.....	600	756,448	100,000	100,000	756,448	100,000	100,000
Rumanian claims fund.....	600		21,090,000			201,000	265,000
Soviet claims fund.....	600	8,658,722				761,487	7,897,235
Unclaimed moneys of individuals whose whereabouts are known.....	600	5,023			5,807		
Yugoslav claims fund.....	600				5,581,866	2,202,485	
Bureau of Customs:							
Refunds, transfers, and expenses of operation, Virgin Islands.....	600	289,457	280,000	280,000	276,941	280,000	280,000
Refunds, transfers and expenses of operation, Puerto Rico.....	600	6,014,092	6,100,000	6,100,000	6,074,992	6,122,309	6,100,000
Refunds, transfers, and expenses, unclaimed, abandoned, and seized goods.....	600	212,428	215,000	215,000	197,958	215,000	215,000
Internal Revenue Service: Expenses, Treasury Department, enforcement title III, National Prohibition Act, as amended, Puerto Rico and Virgin Islands.....	600	144,323	142,749	131,771	130,564	139,083	139,000
Coast Guard:							
Commutated ration mess fund.....	500				22,804	361,537	
United States Coast Guard, general gift fund.....	500	4,800	3,113	3,225	750	7,163	3,225
Total, Treasury Department.....		8,754,301,034	9,497,860,466	10,278,122,727	6,959,138,322	8,003,430,561	9,234,415,071
District of Columbia.....	600	223,669,420	254,180,721	273,737,400	184,777,845	258,266,024	251,818,140
Deposit funds (net):							
Purchase of United States securities (quasi-governmental enterprises).....					537,473,350	44,381,222	185,440,554
Sales and redemptions of obligations in the market (quasi-governmental enterprises).....					• 872,132,400		
Other.....					573,426,357		
Proposed for later transmission:							
Department of Commerce: Bureau of Public Roads: Highway trust fund.....	500		350,000,000			350,000,000	
Total trust fund appropriations and expenditures.....		11,712,222,963	14,368,920,620	15,884,344,972	9,434,352,681	11,969,959,787	14,350,832,906

• Deduct, excess of repayments and collections over expenditures.

B. STATEMENT OF INCOME AND EXPENSE—continued

	1956 actual	1957 estimate	1958 estimate
ANALYSIS OF RETAINED EARNINGS—con.			
The above is distributed as follows:			
Trust investment.....	\$138,346	\$858,346	\$1,499,021
Investment of U. S. Government.....	503,276	3,191,776	4,896,601

C. STATEMENT OF FINANCIAL CONDITION

ASSETS			
Cash:			
In Treasury trust fund.....	\$71,820,305	\$100,000,000	
With Treasury general fund.....	497,208	200,000	\$200,000
On hand.....	50	50	50
Total cash.....	72,317,563	100,200,050	200,050
Loans receivable: Federal Housing Administration insured and Veterans Administration guaranteed mortgages (cost).....	226,113,095	1,231,263,095	1,957,488,095
Less allowance for losses.....	119,209	654,209	1,063,209
Net loans receivable.....	225,993,886	1,230,608,886	1,956,424,886
Accounts and notes receivable:			
Government agencies.....	32,287	100,000	100,000
Other.....	114,114	400,000	600,000
Total accounts and notes receivable.....	146,401	500,000	700,000
Accrued assets.....	794,004	5,000,000	7,750,000
Acquired security or collateral: Property acquired by foreclosure, etc.....	34,019	100,000	100,000
Deferred charges.....	43,635	225,000	550,000
Total assets.....	299,329,508	1,336,633,936	1,965,724,936
LIABILITIES			
Accounts payable.....	1,205		
Income tax equivalent.....	1,061,831	5,460,000	8,135,500
Accrued interest:			
On notes payable to Treasury.....	7,462	4,000,000	8,000,000
On debentures payable to public.....	1,137,153	3,000,000	5,000,000
Accrued service charges.....	88,024	525,000	800,000
Dividends payable:			
Accrued on preferred stock held by Treasury.....	187,601	850,000	3,000,000
Declared on common stock held by public.....	27,619	100,000	200,000
Trust and deposit liabilities.....	1,722,668	5,194,491	7,739,491
Debentures payable.....	100,000,000	400,000,000	800,000,000
Total liabilities.....	104,233,563	419,129,491	832,874,991
NET TRUST INVESTMENT AND INVESTMENT OF U. S. GOVERNMENT			
Net trust investment:			
Common stock issued or subscribed.....	7,152,708	21,152,708	31,152,708
Retained earnings.....	138,346	858,346	1,499,021
Total trust investment.....	7,291,054	22,011,054	32,651,729
Investment of U. S. Government:			
Interest bearing: Notes payable to Treasury.....	94,481,310	699,481,310	902,481,310
Non-interest-bearing:			
Preferred stock held by Treasury:			
Under existing legislation.....	92,820,305	92,820,305	92,820,305
Under proposed legislation.....		100,000,000	100,000,000
Retained earnings.....	503,276	3,191,776	4,896,601
Total non-interest-bearing investment.....	93,323,581	196,012,081	197,716,906
Total investment of U. S. Government.....	187,804,891	895,493,391	1,100,198,216
Net trust investment and investment of U. S. Government.....	195,095,945	917,504,445	1,132,849,945
Total liabilities and investment of U. S. Government.....	299,329,508	1,336,633,936	1,965,724,936

NOTE.—Obligations other than liabilities (mortgage purchase acceptances outstanding) June 30, 1956, \$54,337,755; 1957, \$250,000,000; 1958, \$225,000,000 (obligations at June 30, 1957, and 1958 include outstanding standby commitments).

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

Trust Funds, Agricultural Research Service

Appropriated (estimate) 1957, \$584,500 Estimate 1958, \$553,555

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Expenses and refunds, inspection and grading of farm products:			
(a) Inspection and certification of animal foods and inedible agricultural products in interstate and foreign commerce.....	\$77,919	\$87,000	\$92,000
(b) Identification service for meat and other products.....	24,586	27,000	28,500
(c) Contract specification work on meat and meat food products.....	449,331	236,000	249,500
2. Expenses, feed and attendants for animals in quarantine.....	31,320	19,338	19,000
3. Miscellaneous contributed funds.....	182,280	222,712	215,625
Total obligations.....	765,436	592,050	604,625
Financing:			
Unobligated balance brought forward.....	-104,798	-245,407	-237,857
Unobligated balance carried forward.....	245,407	237,857	186,787
Appropriation.....	906,045	584,500	553,555

PROGRAM AND PERFORMANCE

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others.

1. *Inspection and grading fees* provide for (a) payments for inspection and certification of animal foods and inedible agricultural products in interstate and foreign commerce; (b) identification and marking of divided portions of meat, meat byproducts, and meat food products previously federally inspected and passed and so marked in order that divided portions will bear Federal marks; and (c) examinations of meat and meat food products in federally inspected meatpacking plants for compliance with contract specifications (7 U. S. C. 1622h, 1624).

2. *Expenses of providing feed and attendants for animals in quarantine* are paid from fees advanced by importers (21 U. S. C. 102).

3. *Miscellaneous contributed funds* received from States, local organizations, individuals, and others are available for work under cooperative agreements on miscellaneous production and utilization research activities, plant quarantine inspection, and cooperative plant pest control activities (5 U. S. C. 67, 563).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	16	16	16
Full-time equivalent of all other positions.....	6	5	5
Average number of all employees.....	25	24	21
Number of employees at end of year.....	17	15	15
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,209	\$5,218	\$5,262
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3,829	\$3,911	\$3,909
01 Personal services:			
Permanent positions.....	\$91,367	\$89,511	\$74,819
Positions other than permanent.....	18,036	16,650	16,510
Regular pay above 52-week base.....	292		150
Payment above basic rates.....	6,603	5,500	5,500
Total personal services.....	116,298	111,661	97,119
02 Travel.....	28,840	34,500	33,400
03 Transportation of things.....	746	3,000	3,000
04 Communication services.....	732	2,000	2,000
05 Rents and utility services.....	11,051	14,000	14,000
06 Printing and reproduction.....	9		
07 Other contractual services.....	19,924	28,736	28,736
Services performed by other agencies.....	543,479	346,164	366,256
08 Supplies and materials.....	24,449	37,259	41,784
09 Equipment.....	11,557	15,000	15,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			3,600
13 Refunds, awards, and indemnities.....	8,786		
15 Taxes and assessments.....	398	430	430
Subtotal.....	766,269	592,750	605,325

DEPARTMENT OF AGRICULTURE—Continued**AGRICULTURAL RESEARCH SERVICE—Continued***Trust Funds, Agricultural Research Service—Continued***OBLIGATIONS BY OBJECTS—continued**

	1956 actual	1957 estimate	1958 estimate
Deduct charges for quarters and subsistence.....	\$833	\$700	\$700
Total obligations.....	765,436	592,050	604,625

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriations:			
“Expenses and refunds, inspection and grading of farm products, Agricultural Research Service”.....	\$668,851	\$350,000	\$370,000
“Expenses, feed and attendants for animals in quarantine, Agricultural Research Service”.....	14,435	19,000	19,000
“Miscellaneous contributed funds, Agricultural Research Service”.....	222,759	215,500	164,555
Total appropriations.....	906,045	584,500	553,555
Balance brought forward:			
Unobligated.....	104,798	245,407	237,857
Obligated.....	95,009	624,815	66,865
Total budget authorizations available.....	1,105,852	1,454,722	858,277
EXPENDITURES AND BALANCES			
Expenditures:			
“Expenses and refunds, inspection and grading of farm products, Agricultural Research Service”.....	26,869	975,000	420,000
“Expenses, feed and attendants for animals in quarantine, Agricultural Research Service”.....	24,564	25,000	19,000
“Miscellaneous contributed funds, Agricultural Research Service”.....	184,197	150,000	170,000
Total expenditures.....	235,630	1,150,000	609,000
Balance carried forward:			
Unobligated.....	245,407	237,857	186,787
Obligated.....	624,815	66,865	62,490
Total expenditures and balances.....	1,105,852	1,454,722	858,277

EXTENSION SERVICE*Miscellaneous Contributed Funds, Extension Service*Appropriated (estimate) 1957, **\$3,500** Estimate 1958, **\$3,500****PROGRAM AND FINANCING**

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Miscellaneous contributed funds (total obligations).....	\$4,694	\$4,152	\$3,500
Financing:			
Unobligated balance brought forward.....	—1,679	—652	-----
Unobligated balance carried forward.....	652	-----	-----
Appropriation.....	3,667	3,500	3,500

PROGRAM AND PERFORMANCE

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Average number of all employees.....	1	-----	-----
Number of employees at end of year.....	0	-----	-----
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,668	-----	-----
Average grade.....	GS-9.0	-----	-----

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
01 Personal services: Positions other than permanent.....	\$1,026	-----	-----
02 Travel.....	3,667	\$3,500	\$3,500
04 Communication services.....	-----	100	-----
06 Printing and reproduction.....	-----	500	-----
07 Other contractual services.....	1	-----	-----
08 Supplies and materials.....	-----	52	-----
Total obligations.....	4,694	4,152	3,500

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$3,667	\$3,500	\$3,500
Balance brought forward:			
Unobligated.....	1,679	652	-----
Obligated.....	593	299	-----
Total budget authorizations available.....	5,939	4,451	3,500
EXPENDITURES AND BALANCES			
Total expenditures.....	4,988	4,451	3,500
Balance carried forward:			
Unobligated.....	652	-----	-----
Obligated.....	299	-----	-----
Total expenditures and balances.....	5,939	4,451	3,500

FOREST SERVICE*Trust Funds, Forest Service*Appropriated (est.) 1957, **\$12,500,000** Estimate 1958, **\$13,000,000****PROGRAM AND FINANCING**

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Cooperative work, Forest Service:			
(a) Construction and maintenance of roads and trails.....	\$827,734	\$850,000	\$850,000
(b) Construction and maintenance of other improvements.....	350,425	400,000	400,000
(c) Protection of national forests and adjacent private land.....	1,885,707	1,900,000	1,900,000
(d) Sale-area betterment and scaling.....	5,800,735	7,080,000	8,080,000
(e) Research investigations.....	732,299	700,000	700,000
(f) Administration.....	35,646	30,000	30,000
(g) Reforestation.....	26,071	40,000	40,000
2. Miscellaneous contributed funds, Forest Service.....	71,034	38,662	-----
Total obligations.....	9,728,651	11,038,662	12,000,000
Financing:			
Unobligated balance brought forward.....	—15,323,835	—17,194,902	—18,656,240
Unobligated balance carried forward.....	17,194,902	18,656,240	19,656,240
Appropriation.....	11,599,718	12,500,000	13,000,000

PROGRAM AND PERFORMANCE

1. *Cooperative work.*—Advances, including deposits from purchasers of timber, are received and used for cooperative work in forest investigations, protection, and improvement of the national forests, and protection, reforestation, and administration of private lands. Except for deposits by purchasers of national forest timber (16 U. S. C. 576b), this fund is also available for refunds to the contributors of amounts in excess of their share of the costs (16 U. S. C. 498, 572, 572a, 576b, 581; 31 U. S. C. 725s).

2. *Miscellaneous contributed funds.*—Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
FOREST SERVICE			
Total number of permanent positions.....	598	676	666
Full-time equivalent of all other positions.....	1,131	1,233	1,414

OBLIGATIONS BY OBJECTS—continued

	1956 actual	1957 estimate	1958 estimate
FOREST SERVICE—continued			
Average number of all employees.....	1,872	2,027	2,206
Number of employees at end of year.....	3,141	3,373	3,500
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,999	\$5,021	\$5,074
Average grade.....	GS-6.6	GS-6.6	GS-6.7
Ungraded positions: Average salary.....	\$4,168	\$4,266	\$4,266
01 Personal services:			
Permanent positions.....	\$3,041,011	\$3,349,777	\$3,339,711
Positions other than permanent.....	3,148,174	3,615,184	4,121,644
Regular pay above 52-week base.....	12,454	12,845	12,845
Payment above basic rates.....	176,346	139,324	143,000
Other payments for personal services.....	2,192	800	800
Total personal services.....	6,380,177	7,105,085	7,618,000
02 Travel.....	85,797	100,525	110,000
03 Transportation of things.....	39,125	45,020	50,000
04 Communication services.....	37,253	38,005	40,000
05 Rents and utility services.....	63,661	60,000	65,000
06 Printing and reproduction.....	4,427	7,000	10,000
07 Other contractual services.....	578,048	751,000	1,000,000
Services performed by other agencies.....	726,341	775,500	800,000
08 Supplies and materials.....	829,631	1,163,012	1,054,500
09 Equipment.....	183,137	212,900	230,000
10 Lands and structures.....	238,816	305,000	350,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	40	205,500	205,500
13 Refunds, awards, and indemnities.....	546,273	500,000	500,000
15 Taxes and assessments.....	64,426	74,170	82,000
Subtotal.....	9,777,152	11,137,217	12,115,000
Deduct charges for quarters and subsistence.....	56,171	111,006	115,000
Total, Forest Service.....	9,720,981	11,026,211	12,000,000
ALLOCATION TO DEPARTMENT OF COMMERCE			
07 Other contractual services.....	7,670	12,451	
Total obligations.....	9,728,651	11,038,662	12,000,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriations:			
"Cooperative work, Forest Service".....	\$11,559,718	\$12,500,000	\$13,000,000
"Miscellaneous contributed funds, Forest Service".....	40,000		
Total appropriations.....	11,599,718	12,500,000	13,000,000
Balance brought forward:			
Unobligated.....	15,323,835	17,194,902	18,656,240
Obligated.....	956,180	1,176,116	1,324,778
Total budget authorizations available.....	27,879,733	30,871,018	32,981,018
EXPENDITURES AND BALANCES			
Expenditures—			
"Cooperative work, Forest Service".....	9,430,044	10,830,000	11,870,000
"Miscellaneous contributed funds, Forest Service".....	78,671	60,000	4,000
Total expenditures.....	9,508,715	10,890,000	11,874,000
Balance carried forward:			
Unobligated.....	17,194,902	18,656,240	19,656,240
Obligated.....	1,176,116	1,324,778	1,450,778
Total expenditures and balances.....	27,879,733	30,871,018	32,981,018

SOIL CONSERVATION SERVICE

Trust Funds, Soil Conservation Service

Appropriated (est.) 1957, \$7,650,000 Estimate 1958, \$7,650,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Technical services and other assistance, agricultural conservation program.....	\$7,299,812	\$7,500,000	\$7,500,000
2. Miscellaneous contributed funds.....	440,710	344,778	250,000
Total obligations.....	7,740,522	7,844,778	7,750,000
Financing:			
Unobligated balance brought forward.....	—3,785,416	—3,190,586	—2,995,808
Unobligated balance carried forward.....	3,190,586	2,995,808	2,895,808
Appropriation.....	7,145,692	7,650,000	7,650,000

PROGRAM AND PERFORMANCE

1. *Technical services and other assistance, agricultural conservation program.*—Funds are advanced to Soil Conservation Service from the agricultural conservation program appropriation on the basis of agreements with individual county agricultural stabilization and conservation committees for technical assistance in formulating and carrying out agricultural conservation cost-sharing programs in participating counties. This assistance is over and above that which would be furnished to farmers and ranchers under the regular soil conservation programs with soil conservation districts.

2. *Miscellaneous contributed funds.*—Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	113	129	124
Full-time equivalent of all other positions.....	518	509	506
Average number of all employees.....	1,459	1,510	1,506
Number of employees at end of year.....	762	765	763
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,830	\$4,739	\$4,708
Average grade.....	GS-6.4	GS-6.2	GS-6.2
01 Personal services:			
Permanent positions.....	\$4,289,786	\$4,446,614	\$4,427,500
Positions other than permanent.....	1,620,731	1,641,780	1,635,022
Regular pay above 52-week base.....	5,550		19,039
Payment above basic rates.....	5,984	3,960	4,500
Other payments for personal services.....	3,119		
Total personal services.....	5,925,170	6,092,354	6,086,061
02 Travel.....	88,342	99,000	99,500
03 Transportation of things.....	150	2,300	200
04 Communication services.....	757	900	900
05 Rents and utility services.....	547	600	500
06 Printing and reproduction.....	182		
07 Other contractual services.....	1,004,337	922,000	856,800
Services performed by other agencies.....	111,450	117,800	121,500
08 Supplies and materials.....	168,441	184,100	183,000
09 Equipment.....	12,488	15,500	15,000
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			268,000
13 Refunds, awards, and indemnities.....	401,185	381,424	89,839
15 Taxes and assessments.....	27,473	28,800	28,700
Total obligations.....	7,740,522	7,844,778	7,750,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation:			
"Technical services and other assistance, agricultural conservation program, Soil Conservation Service, Department of Agriculture".....	\$7,002,645	\$7,500,000	\$7,500,000
"Miscellaneous contributed funds, Soil Conservation Service".....	143,047	150,000	150,000
Total appropriations.....	7,145,692	7,650,000	7,650,000
Balance brought forward:			
Unobligated.....	3,785,416	3,190,586	2,995,808
Obligated.....	326,966	206,824	251,602
Total budget authorizations available.....	11,258,074	11,047,410	10,897,410
EXPENDITURES AND BALANCES			
Expenditures:			
"Technical services and other assistance, agricultural conservation program, Soil Conservation Service".....	7,391,773	7,475,000	7,550,000
"Miscellaneous contributed funds, Soil Conservation Service".....	468,891	325,000	150,000
Total expenditures.....	7,860,664	7,800,000	7,700,000
Balance carried forward:			
Unobligated.....	3,190,586	2,995,808	2,895,808
Obligated.....	206,824	251,602	301,602
Total expenditures and balances.....	11,258,074	11,047,410	10,897,410

AGRICULTURAL MARKETING SERVICE

Trust Funds, Agricultural Marketing Service

Appropriated (est.) 1957, \$15,889,730 Estimate 1958, \$16,401,730

DEPARTMENT OF AGRICULTURE—Continued

AGRICULTURAL MARKETING SERVICE—Continued

Trust Funds, Agricultural Marketing Service—Continued

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Expenses and refunds, inspection and grading of farm products: Inspection, grading, and certification of—			
(a) Cottonseed.....	\$23,694	\$24,300	\$24,350
(b) Dairy products.....	1,859,681	1,806,800	1,809,900
(c) Fresh and processed fruits and vegetables.....	4,138,480	4,469,000	4,476,500
(d) Meat.....	3,509,281	3,714,000	3,720,300
(e) Naval stores.....	15,045	16,000	16,050
(f) Poultry products.....	4,244,174	4,493,400	5,012,000
(g) Rice, hay, beans, peas, seed, hops, and miscellaneous agricultural commodities.....	1,195,702	1,307,800	1,310,000
2. Miscellaneous contributed funds.....	79,660	74,730	71,730
Total obligations.....	15,065,717	15,906,030	16,440,830
Financing:			
Unobligated balance brought forward.....	-4,199,316	-5,057,883	-5,041,583
Unobligated balance carried forward.....	5,057,883	5,041,583	5,002,483
Appropriation.....	15,924,284	15,889,730	16,401,730

PROGRAM AND PERFORMANCE

1. *Expenses and refunds, inspection and grading of farm products.*—An inspection and grading service for farm products is provided upon application of interested parties. These services are supported primarily by fees and, to a limited extent, by direct appropriations to the Agricultural Marketing Service. The schedules reflect the amount of salaries and other expenses paid from fees received (7 U. S. C. 91-99; 1621-1627).

2. *Miscellaneous contributed funds.*—Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	2,876	2,682	2,620
Full-time equivalent of all other positions.....	89	49	49
Average number of all employees.....	2,370	2,503	2,439
Number of employees at end of year.....	2,642	2,653	2,591
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,294	\$5,373	\$5,373
Average grade.....	GS-7.2	GS-7.3	GS-7.5
Ungraded positions: Average salary.....	\$3,836	\$3,703	\$3,703
01 Personal services:			
Permanent positions.....	\$11,224,846	\$12,256,531	\$11,962,381
Positions other than permanent.....	344,377	218,686	218,186
Regular pay above 52-week base.....	41,221	-----	48,000
Payment above basic rates.....	774,060	641,283	634,283
Total personal services.....	12,384,504	13,116,500	12,862,850
02 Travel.....	1,191,078	1,245,800	1,282,040
03 Transportation of things.....	51,322	52,200	59,200
04 Communication services.....	207,739	233,800	241,800
05 Rents and utility services.....	71,186	100,100	105,100
06 Printing and reproduction.....	96,284	102,650	106,650
07 Other contractual services.....	677,072	670,330	678,330
Services performed by other agencies.....	104,636	86,850	86,850
08 Supplies and materials.....	134,666	140,335	141,355
09 Equipment.....	112,919	115,600	116,600
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....	-----	-----	718,200
13 Refunds, awards, and indemnities.....	3,849	5,755	5,755
15 Taxes and assessments.....	30,462	36,110	36,100
Total obligations.....	15,065,717	15,906,030	16,440,830

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriations:			
"Expenses and refunds, inspection and grading of farm products, Agricultural Marketing Service".....	\$15,851,128	\$15,815,000	\$16,330,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE—con.			
Appropriations—Continued			
"Miscellaneous contributed funds, Agricultural Marketing Service".....	\$73,156	\$74,730	\$71,730
Total appropriations.....	15,924,284	15,889,730	16,401,730
Balance brought forward:			
Unobligated.....	4,199,316	5,057,883	5,041,583
Obligated.....	835,203	1,080,813	1,159,643
Total budget authorizations available.....	20,958,803	22,034,426	22,602,956
EXPENDITURES AND BALANCES			
Expenditures:			
"Expenses and refunds, inspection and grading of farm products, Agricultural Marketing Service".....	14,736,979	15,759,200	16,329,000
"Miscellaneous contributed funds, Agricultural Marketing Service".....	77,128	74,000	72,000
Total expenditures.....	14,814,107	15,833,200	16,401,000
Balance carried forward:			
Unobligated.....	5,057,883	5,041,583	5,002,483
Obligated.....	1,086,813	1,159,643	1,199,473
Total expenditures and balances.....	20,958,803	22,034,426	22,602,956

FOREIGN AGRICULTURAL SERVICE

Expenses of Foreign Students, Agriculture

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1956 actual	1957 estimate	1958 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Obligated balance brought forward.....	\$121	-----	-----
EXPENDITURES AND BALANCES			
Total expenditures.....	121	-----	-----

COMMODITY STABILIZATION SERVICE

Miscellaneous Contributed Funds, Commodity Stabilization Service

Appropriated (estimate) 1957, \$50,000 Estimate 1958, \$50,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
Miscellaneous contributed funds (total obligations).....	\$171,511	\$51,839	\$56,000
Financing:			
Unobligated balance brought forward.....	-127,853	-7,839	-6,000
Unobligated balance carried forward.....	7,839	6,000	-----
Appropriation.....	51,497	50,000	50,000

PROGRAM AND PERFORMANCE

Miscellaneous funds received from States, local organizations, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
07 Other contractual services.....	\$171,511	\$51,839	\$56,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$51,497	\$50,000	\$50,000
Balance brought forward:			
Unobligated.....	127,853	7,839	6,000
Obligated.....	31,005	61,114	14,953
Total budget authorizations available.....	210,355	118,953	70,953

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1956 actual	1957 estimate	1958 estimate
EXPENDITURES AND BALANCES			
Total expenditures.....	\$141,402	\$98,000	\$60,000
Balance carried forward:			
Unobligated.....	7,839	6,000	
Obligated.....	61,114	14,953	10,953
Total expenditures and balances.....	210,355	118,953	70,953

FARMERS' HOME ADMINISTRATION

State Rural Rehabilitation Funds, Farmers' Home Administration,
Department of Agriculture

PROGRAM AND PERFORMANCE

The funds are being administered through the Farmers' Home Administration, under agreements with 39 individual States for use in carrying out the purposes of titles I and II of the Bankhead-Jones Farm Tenant Act, as amended. In these States, operating-type loans are made at 5 percent interest. Also, in some States, farm-ownership-type loans are made from these funds and insured under the regular Farmers' Home Administration insured loan program at 3½ percent plus a 1 percent insurance charge. The entire assets of the 39 State corporations are being administered by the Farmers' Home Administration, with exception of \$3,547,849 in cash and other assets which by June 30, 1956, had been returned to and held by several States for use in rural rehabilitation.

Actual and estimated loan volume for fiscal years 1956, 1957, and 1958 is as follows:

	Loan operations			
	Operating		Farm ownership ¹	
	Num- ber	Amount	Num- ber	Amount
1956.....	5,881	\$9,607,131	145	\$1,598,741
1957.....	3,535	5,900,000	340	4,103,396
1958.....	3,115	5,500,000	280	3,400,000

¹ Insured by Farmers' Home Administration.

The stepped-up volume of farm ownership loans results from a shortage of funds from private lenders for insured farm ownership loans. The reduction in the volume of operating loans for 1957 and 1958 results from utilizing a larger portion of the limited funds which are available for insured farm ownership loans.

A. STATEMENT OF SOURCES AND APPLICATION OF FUNDS

	1956 actual	1957 estimate	1958 estimate
FUNDS APPLIED			
To operations:			
Acquisition of assets:			
Loans made.....	\$11,205,872	\$10,003,396	\$8,900,000
Other.....	13,585	9,500	10,000
Expenses.....	905,982	950,500	1,050,500
Funds returned to States.....	1,122,631	391,329	350,000
Total applied to operations.....	13,248,070	11,354,725	10,310,500
To financing:			
Increase in Treasury cash.....			125,250
Total funds applied.....	13,248,070	11,354,725	10,435,750
FUNDS PROVIDED			
By operations:			
Realization of assets:			
Loans repaid.....	10,289,846	9,260,013	8,900,000
Other.....	17,556	22,000	27,000
Income.....	1,601,222	1,405,700	1,275,900
Proceeds from sale of mineral interests.....	1,718		
Decrease in selected working capital.....	188,574	469,802	232,850
Total provided by operations.....	12,098,916	11,157,515	10,435,750
By financing:			
Decrease in Treasury cash.....	1,149,154	197,210	
Total funds provided.....	13,248,070	11,354,725	10,435,750

A. STATEMENT OF SOURCES AND APPLICATION OF FUNDS—continued

	1956 actual	1957 estimate	1958 estimate
TRUST EXPENDITURES			
Funds applied to operations.....	\$13,248,070	\$11,354,725	\$10,310,500
Funds provided by operations.....	12,098,916	11,157,515	10,435,750
Net trust expenditures.....	1,149,154	197,210	—125,250

B. STATEMENT OF INCOME AND EXPENSE

Income:			
Interest on loans.....	\$1,596,282	\$1,400,000	\$1,270,000
Other income.....	4,940	5,700	5,900
Total income.....	1,601,222	1,405,700	1,275,900
Expense:			
Administrative expense.....	677,805	680,000	720,000
Other expense.....	263	500	500
Chargeoffs:			
Accounts receivable.....	27,208	30,000	30,000
Interest receivable.....	200,706	240,000	300,000
Loans receivable.....	499,934	720,000	800,000
Judgments.....	91,541	40,000	20,000
Decrease (—) in allowance for losses.....	—254,941	—151,523	—282,686
Total expenses.....	1,242,516	1,558,977	1,587,814
Net income or loss (—) from operations.....	358,706	—153,277	—311,914
Nonoperating income or loss (—):			
Proceeds from sale of mineral interests.....	1,718		
Proceeds from sale of assets.....	6,365	7,000	9,000
Book value of assets sold:			
Acquired security or collateral.....	—4,604	—8,000	—10,000
Land and structures.....	—4,225		
Net nonoperating loss (—).....	—746	—1,000	—1,000
Net income or loss (—) for the year.....	357,960	—154,277	—312,914
ANALYSIS OF DEFICIT			
Deficit (—), beginning of year.....	—5,137,565	—4,815,563	—4,969,840
Adjustment of balance at beginning of year: Surplus closed to trust at transfer of assets to Wyoming.....	—35,958		
Deficit (—), end of year.....	—4,815,563	—4,969,840	—5,282,754

C. STATEMENT OF FINANCIAL CONDITION

ASSETS			
Current assets:			
Cash with Treasury.....	\$2,876,757	\$2,679,547	\$2,804,797
Cash on hand and in transit.....	340,231		
Accounts receivable.....	3,076,602	2,954,180	2,721,330
Less allowance for losses.....	1,663,683	1,592,438	1,465,512
Net accounts receivable.....	1,412,919	1,361,742	1,255,818
Undistributed charges.....	1,976		
Loans receivable.....	33,402,679	33,368,662	32,461,662
Less allowance for losses.....	6,081,387	6,006,359	5,843,099
Net loans receivable.....	27,321,292	27,362,303	26,618,563
Acquired security or collateral.....	401	1,401	401
Land and structures: Real estate.....	46,574	46,574	46,574
Judgments.....	143,025	136,025	146,025
Less allowance for losses.....	107,269	102,019	109,519
Net judgments.....	35,756	34,006	36,506
Total assets.....	32,041,906	31,485,573	30,762,659
LIABILITIES			
Current liabilities:			
Accrued expense.....	60,814	60,000	60,000
Undistributed credits.....	13		
Total liabilities.....	60,827	60,000	60,000
INVESTMENT OF STATES			
Assets transferred under trust agreement (net).....	36,146,344	35,745,115	35,335,115
Donated assets.....	650,298	650,298	650,298
Deficit (—).....	—4,815,563	—4,969,840	—5,282,754
Net investment of States.....	31,981,079	31,425,573	30,702,659
Total liabilities and investment of States.....	32,041,906	31,485,573	30,762,659

SCHEDULE A-1. ACCRUED EXPENDITURES BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	122	119	119
Average number of all employees.....	123	125	123

DEPARTMENT OF AGRICULTURE—Continued

FARMERS' HOME ADMINISTRATION—Continued

State Rural Rehabilitation Funds, Farmers' Home Administration,
Department of Agriculture—Continued

SCHEDULE A-1. ACCRUED EXPENDITURES BY OBJECTS—(continued)

	1956 actual	1957 estimate	1958 estimate
Number of employees at end of year.....	124	126	125
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,533	\$4,392	\$4,443
Average grade.....	GS-5.4	GS-5.3	GS-5.3
01 Personal services:			
Permanent positions.....	\$553,316	\$550,300	\$547,110
Regular pay above 52-week base.....	2,075		2,180
Total personal services.....	555,391	550,300	549,290
02 Travel.....	53,101	62,000	63,400
07 Other contractual services.....	4,486	4,500	4,500
Services performed by other agencies.....	64,629	63,000	68,410
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			34,200
13 Refunds, awards, and indemnities.....	1,122,631	391,329	350,000
15 Taxes and assessments.....	198	200	200
16 Investments and loans.....	11,205,872	10,003,396	8,900,000
Undistributed.....	241,762	280,000	340,500
Total accrued expenditures.....	13,248,070	11,354,725	10,310,500

OFFICE OF INFORMATION

Miscellaneous Contributed Funds, Office of Information

Appropriated (estimate) 1957, \$14,000 Estimate 1958, \$14,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Miscellaneous contributed funds.....	\$12,613	\$16,244	\$16,000
2. Prior year advances returned.....	10,925		
Total obligations.....	23,538	16,244	16,000
Financing:			
Unobligated balance brought forward.....	-13,384	-7,266	-5,022
Unobligated balance carried forward.....	7,266	5,022	3,022
Appropriation.....	12,420	14,000	14,000

PROGRAM AND PERFORMANCE

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
03 Transportation of things.....	\$853	\$1,000	\$1,000
07 Other contractual services: Services performed by other agencies.....	11,760	15,244	15,000
13 Refunds, awards, and indemnities.....	10,925		
Total obligations.....	23,538	16,244	16,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$12,420	\$14,000	\$14,000
Balance brought forward:			
Unobligated.....	18,384	7,266	5,022
Obligated.....	273	68	68
Total budget authorizations available.....	31,077	21,334	19,090
EXPENDITURES AND BALANCES			
Total expenditures.....	23,743	16,244	16,000
Balance carried forward:			
Unobligated.....	7,266	5,022	3,022
Obligated.....	68	68	68
Total expenditures and balances.....	31,077	21,334	19,090

DEPARTMENT OF COMMERCE

BUREAU OF THE CENSUS

Special Statistical Work, Bureau of the Census

Appropriated (est.) 1957, \$1,799,631 Estimate 1958, \$1,635,000

PROGRAM AND FINANCING

	1956 actual	1957 estimate	1958 estimate
Program by activities:			
1. Special statistical studies:			
(a) Age and citizenship searches.....	\$468,620	\$614,000	\$614,000
(b) Special statistical studies.....	752,632	877,230	877,230
2. General administration.....	107,057	208,770	208,770
Total obligations.....	1,328,309	1,700,000	1,700,000
Financing:			
Unobligated balance brought forward.....	-302,112	-465,369	-565,000
Advances and reimbursement from other accounts.....	-3,602		
Unobligated balance carried forward.....	465,369	565,000	500,000
Appropriation.....	1,487,964	1,799,631	1,635,000

PROGRAM AND PERFORMANCE

The Bureau performs special statistical work, at cost, for individuals and firms requesting such data. In addition, the Bureau furnishes age and citizenship data from past census records on a fee basis. Funds received for these purposes are used to pay expenses incurred in performance of such work (49 Stat. 293; 46 Stat. 21).

OBLIGATIONS BY OBJECTS

	1956 actual	1957 estimate	1958 estimate
Total number of permanent positions.....	158	185	185
Full-time equivalent of all other positions.....	91	186	169
Average number of all employees.....	285	380	363
Number of employees at end of year.....	301	451	451
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,074	\$5,108	\$5,104
Average grade.....	GS-6.4	GS-6.5	GS-6.4
Ungraded positions: Average salary.....	\$4,198	\$4,423	\$4,423
01 Personal services:			
Permanent positions.....	\$750,276	\$751,000	\$751,000
Positions other than permanent.....	289,432	605,000	550,000
Regular pay above 52-week base.....	3,107		3,500
Payments above basic rates.....	54,353	55,000	55,000
Total personal services.....	1,097,168	1,411,000	1,359,500
02 Travel.....	69,185	97,685	97,685
03 Transportation of things.....	1,421	1,985	1,985
04 Communication services.....	7,891	11,027	11,027
05 Rents and utility services.....	15,509	21,672	21,672
06 Printing and reproduction.....	23,679	33,089	33,089
07 Other contractual services.....	5,290	7,392	7,392
Services performed by other agencies.....	187		
Payments to miscellaneous receipts.....	36,798	40,000	40,000
08 Supplies and materials.....	6,047	8,450	8,450
09 Equipment.....	1,171	1,700	1,700
11 Grants, subsidies, and contributions:			
Contribution to retirement fund.....			55,000
13 Refunds, awards, and indemnities.....	63,963	66,000	62,500
Total obligations.....	1,328,309	1,700,000	1,700,000

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$1,487,964	\$1,799,631	\$1,635,000
Balance brought forward:			
Unobligated.....	302,112	465,369	565,000
Obligated.....	106,920	87,918	210,000
Total budget authorizations available.....	1,896,996	2,352,918	2,410,000
EXPENDITURES AND BALANCES			
Total expenditures.....	1,343,709	1,577,918	1,695,000
Balance carried forward:			
Unobligated.....	465,369	565,000	500,000
Obligated.....	87,918	210,000	215,000
Total expenditures and balances.....	1,896,996	2,352,918	2,410,000

INTRODUCTION TO PART IV

Part IV of the budget contains special analyses of budget data and Federal programs. These analyses supplement material appearing in other parts of the budget. Most of the analyses include explanatory material which expands and elaborates these introductory notes.

FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

Special analysis A presents information on the flow of money between the public and the Federal Government as a whole, including both Federal funds and trust (and deposit) funds. Major intragovernmental and noncash transactions are excluded. This analysis also presents a reconciliation with Treasury cash deposits and withdrawals as reported in the Daily Statement of the United States Treasury.

ANALYSIS OF BUDGET RECEIPTS

Special analysis B presents details on the budget receipts summarized in table 1. It includes a statement explaining the receipt estimates, together with a table giving a classification of receipts by source. The figures include receipts of both the general fund and the special funds. The text pertaining to taxes, customs, and refunds is prepared by the Treasury Department.

ANALYSIS OF THE BUDGET BY FUNCTION AND AGENCY

Special analysis C gives the details for the functional breakdown of new obligational authority and expenditures used in the budget message and in certain tables of part I. It is compiled by regrouping the figures found in the chapter summaries of part II. The code numbers used in the chapter summaries are the key to the grouping found in this analysis.

SPECIAL ANALYSES OF BUDGET EXPENDITURES

Special analysis D analyzes budget expenditures (gross and net) in terms of the duration and nature of the benefits derived. Expenditures of an *investment* type are shown in two major categories—one for acquisition and improvement of Federal assets, and the other for developmental purposes such as additions to State, local, and private assets, and expenditures for research, education, and health. Expenditures yielding *current* benefits are also grouped in two major categories—one for aids and special services to various groups and the other for the remaining current operating expenses. No adjustments are made for depreciation, obsolescence, allowances for potential losses on loans, and other items not reflected in current expenditure data.

Special analysis E divides budget expenditures into four major groupings in order to show the purposes or ultimate ends involved. These categories are: The cost of protection including collective security, civil benefits to various parts of society, interest payments, and civil operations and administration. The discussion of budget expendi-

tures which appears on pages M4 to M71 of the budget message is based on this classification.

ANALYSES OF CERTAIN PROGRAM EXPENDITURES

Special analysis F gives detailed information on the major Federal programs involving direct loans, loan insurance, and loan guaranties. It provides data on commitment authority, commitments, expenditures, repayments, and outstanding loans, guaranties, and insurance.

Special analysis G provides an analysis of the construction activities of the Federal Government. It presents detailed information on direct Federal public works and Federal grants and loans for public works. It gives summary information on Federal financial assistance for certain international public works, semipublic works, and construction by private business and individuals.

Special analysis H brings together information on those items in the budget which are for Federal aid to State and local governments. It includes grants-in-aid, shared revenues, and loans (including repayable advances).

Special analysis I shows the amounts devoted to research and development purposes. It includes both basic and applied research, and the construction of research facilities.

Special analysis J presents the current and recommended budget levels of the principal statistical programs of the Federal Government.

SELECTED INVESTMENTS AND INTERFUND TRANSACTIONS

Special analysis K sets forth certain investments and interfund transactions which are not reflected in the expenditures or receipts shown elsewhere in the budget. The first two groups of these are the investments by revolving and trust funds in United States Government securities (both Treasury issues and the securities of wholly owned Government enterprises), and the net borrowing or repayment of debt by wholly owned enterprises (other than their debt to the Treasury). The totals of these transactions, while not a part of budget expenditures or receipts, affect the financing requirements of the Government as a whole, and therefore are included in computations shown in table 4 of part I. The other group of transactions included in this table constitutes the payments by the revolving funds to the general fund, representing the return of capital or the distribution of earnings; such payments are excluded from budget expenditures and budget receipts in parts I and II of the budget in order to avoid inflating both sides of the budget.

HISTORICAL COMPARISON OF BUDGET RECEIPTS AND EXPENDITURES

Special analysis L presents a 10-year comparison of budget receipts and expenditures. The receipts are classified by source and the expenditures by function. A technical note sets forth the changes in classifications since the 1957 budget. As in special analysis C, the code numbers appearing in the chapter summaries of part II are the key to the grouping of items in the expenditures section of this analysis.

SPECIAL ANALYSIS A

FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

This analysis presents information on the flow of money between the public and the Federal Government as a whole.

By definition, the public includes individuals, banks, other private corporations and associations, and unincorporated businesses. The Federal Reserve System, the United States Postal Savings System, State and local governments, foreign governments, and international organizations are also defined as part of the public.

In the derivation of Federal Government receipts from and payments to the public, the transactions of Federal funds (which are reported as budget receipts and expenditures) are consolidated with those of trust and deposit funds which are not owned by the Federal Government. In addition, certain transactions of enterprises which are sponsored by the Government are included. (For a detailed description of the various types of funds see page A2 of part I and page 992 of part III.) Major intragovernmental transactions, which are payments between the various funds, and noncash transactions, which do not entail immediate cash receipts or payments, are excluded in this consolidation.

Use and limitations.—This analysis is particularly helpful in evaluating the impact of Federal transactions on the economy. For example, Federal receipts from the public classified by source indicate the relative size and various types of cash receipts, and Federal payments to the public by function indicate the importance in terms of cash payments of the various Government activities. The excess of receipts from the public or payments to the public tends to reflect the net impact of Federal financial transactions.

However, the scope and impact of Federal transactions are understated, because the total of Federal payments to the public includes only the net spending of both wholly owned and Government-sponsored enterprises. These enterprises receive interest payments, repayments of loans, and other income from the public which are deducted from new loans and other disbursements. The difference is reported as the net expenditures of the enterprises. Since the totals of receipts and payments are reduced by equal amounts, the excess of Federal receipts from or payments to the public is not affected.

It should also be recognized that receipts and payments are only one measure of the many Federal financial activities with important economic effects. For example, a rapid expansion in new appropriations and in Government orders could stimulate a rise in business activity long before the authorized funds were paid to the public. Likewise, the enactment of a tax measure or even the expectation of a change in tax rates may affect business activity long before the cash flows involved take place between the Federal Government and the public. Federal guaranties and insurance of private loans (summarized in special analysis F) also influence the economy, even though they normally have little or no immediate impact on Federal receipts from and payments to the public. Certain other Government contractual arrangements, such as the lease-purchase of Government buildings, have economic effects which cannot be measured by the Government payments made in any one year. Aside from the significance of interest payments to the public, the management of the public debt is a further important factor which has particular impact in the money and credit markets of the economy.

Consolidated cash statement.—The derivation of Federal receipts from and payments to the public represents, in effect, a consolidated cash statement of Federal transactions—other than borrowing—with the public. Major intragovernmental transactions which are reported as both expenditures and receipts of the funds being consolidated are eliminated. These major intragovernmental transactions are (1) payments between Federal funds, such as interest paid to the general fund by the Commodity Credit Corporation on its borrowing from the Treasury; (2) payments between Federal funds and trust funds, such as interest paid to the old-age and survivors insurance trust fund by the general fund on securities held by the trust fund; and (3) payments between trust funds, such as the District of Columbia payments to the civil service retirement and disability fund.

Receipts of the Government from the exercise of monetary authority (mostly seigniorage on silver) do not represent cash received from the public and are also excluded in this consolidation.

DERIVATION OF FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

[In millions]

Description	1956 actual	1957 estimate	1958 estimate
FEDERAL RECEIPTS FROM THE PUBLIC			
Budget receipts (from table 1).....	\$68,165	\$70,628	\$73,620
Trust fund receipts (from table 8).....	11,685	14,337	15,859
Less:			
Intragovernmental transactions.....	2,743	3,215	3,515
Receipts from exercise of monetary authority.....	23	30	41
Equals: Federal receipts from the public.....	77,084	81,720	85,023
FEDERAL PAYMENTS TO THE PUBLIC			
Budget expenditures (from table 1).....	66,540	68,900	71,807
Trust fund expenditures (from table 8).....	9,434	11,970	14,351
Government-sponsored enterprise expenditures (net).....	324	—34	144
Less:			
Intragovernmental transactions.....	2,743	3,215	3,515
Accrued interest and other noncash expenditures (net).....	943	—644	—183
Equals: Federal payments to the public.....	72,611	78,265	82,970
Excess of Federal receipts from the public.....	4,473	3,455	2,953

In this analysis the expenditures of four Government-sponsored enterprises—the Federal Deposit Insurance Corporation, the Federal home loan banks, the Federal land banks and the banks for cooperatives—are measured by the sales and redemptions of their own obligations and of the United States securities held by them. The net receipts obtained from these transactions are used mainly for the financing of operating expenditures. The transactions of two other Government-sponsored enterprises—the Federal National Mortgage Association secondary market operations and the Federal intermediate credit banks (beginning January 1, 1957)—are also included on a net basis in this analysis, but as part of trust fund expenditures.

Certain noncash transactions, such as accrued interest on savings bonds, are included in budget expenditures. In deriving Federal payments to the public, these noncash items are deducted from budget expenditures in the year of accrual. They are included as payments at a later time, in the year when the payment is made in cash.

SPECIAL ANALYSIS A—Continued

FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC—Continued

The major items of this type are (1) interest currently accruing on savings bonds and the interest which is paid in cash as the bonds are redeemed; (2) United States securities sometimes issued in payment of obligations and their redemption for cash at a later date; and (3) net changes in the clearing accounts for checks, public-debt interest, and related items outstanding.

In any given year the aggregate of the accruals may be larger or smaller than total disbursements for previously accrued items. In 1956 the amount of new accruals is greater than the payments made for items previously accrued. In 1957 and 1958, however, the reverse is the case, largely because substantial cash payments are estimated to be made to redeem the non-interest-bearing notes issued in 1947 to the International Monetary Fund as part of the United States subscription.

Reconciliation with Treasury cash deposits and withdrawals.—The daily statement of the United States Treasury presents a consolidated cash statement of Treasury operating transactions similar in general concept to Federal receipts from and payments to the public. However, it is limited in coverage to those transactions affecting the accounts of the Treasurer of the United States.

RECONCILIATION OF FEDERAL GOVERNMENT RECEIPTS FROM THE PUBLIC WITH TREASURY CASH DEPOSITS

[In millions]

Description	1956 actual	1957 estimate	1958 estimate
Federal receipts from the public.....	\$77,084	\$81,720	\$85,923
Receipts from exercise of monetary authority.....	23	30	41
Net difference in actual year due to reporting method.....	-28	-----	-----
Equals: Treasury cash deposits.....	77,079	81,750	85,964

As shown above, Treasury cash deposits include the receipts from exercise of the monetary authority which are omitted from Federal receipts from the public. Except for this small conceptual difference, the two consolidated statements are very closely related on the receipts side.

The net difference due to reporting method applies equally in the reconciliation of receipts with deposits and in the reconciliation of payments with withdrawals. This arises principally from the fact that changes in the clearing accounts are reported on a net basis with increases in deposits in transit deducted from increases in checks outstanding. While this reporting procedure yields an accurate measure of the excess of receipts or payments, it does not provide the data for adjusting separately the receipts and the payments of the Federal Government to the basis used in obtaining cash deposits to and withdrawals from the Treasurer's account.

Federal payments to the public are more inclusive than cash withdrawals from Treasury since they include the transactions from accounts of Government agencies in commercial banks and from cash balances held by agency disbursing officers. For example, if Federal cash balances outside the Treasury decrease, Federal payments to the public will be greater than cash withdrawals from Treasury; if these outside balances increase, Federal payments to the public will be smaller than cash withdrawals from Treasury.

RECONCILIATION OF FEDERAL GOVERNMENT PAYMENTS TO THE PUBLIC WITH TREASURY CASH WITHDRAWALS

[In millions]

Description	1956 actual	1957 estimate	1958 estimate
Federal payments to the public.....	\$72,611	\$78,265	\$82,970
Less:			
Payments to the public not reflected in accounts of the Treasurer of the United States (net):			
From cash held outside Treasury ¹	202	78	-----
From proceeds of sales in the market of agency obligations and United States securities ²	398	-----	-----
Net difference in actual year due to reporting method.....	-28	-----	-----
Equals: Cash withdrawals from Treasury.....	71,984	78,187	82,970

¹ Represents decrease in Government agencies' balances outside Treasury.² Includes only net sales by Government agencies and trust funds which were not reflected in the accounts of the Treasurer of the United States.

Federal repayment of cash borrowing from the public.—In the long run, the amount of Federal repayment of cash borrowing from the public is affected primarily by the excess of receipts from the public over payments. Funds obtained late in one fiscal year, however, are sometimes not utilized until early in the following year. Thus, they affect the annual changes in the Government's cash balances. Receipts from the exercise of the monetary authority (mostly seigniorage on silver) provide a relatively small additional amount that is available for payment to the public or repayment of cash borrowing.

FEDERAL GOVERNMENT REPAYMENT OF CASH BORROWING FROM THE PUBLIC

[In millions]

Description	1956 actual	1957 estimate	1958 estimate
Excess of Federal receipts from the public (from table 4).....	\$4,473	\$3,455	\$2,953
Receipts from exercise of monetary authority.....	23	30	41
Increase (—) or decrease in cash balances.....	-128	624	-----
Federal repayment of cash borrowing.....	4,368	4,109	2,994

The figures shown for repayment of cash borrowing from the public include the repayment of borrowing by the Treasury through net redemptions of United States

RECONCILIATION OF CHANGE IN PUBLIC DEBT WITH FEDERAL GOVERNMENT REPAYMENT OF CASH BORROWING FROM THE PUBLIC

[In millions]

Description	1956 actual	1957 estimate	1958 estimate
Increase (—) or decrease in public debt (from table 4).....	\$1,623	\$2,151	\$1,400
Increase (—) or decrease in obligations of Government enterprises held by the public (net):			
Public enterprise funds ¹	-173	-391	-490
Government-sponsored enterprises.....	-872	-21	-250
Investments in United States securities (net):			
Trust funds.....	2,517	2,921	2,197
Wholly owned enterprises.....	101	62	170
Government-sponsored enterprises.....	549	55	106
Increase or decrease (—) in public debt from noncash adjustments (net).....	623	-667	-140
Federal repayment of cash borrowing.....	4,368	4,109	2,994

¹ Includes the Federal National Mortgage Association secondary market operations.

SPECIAL ANALYSIS A—Continued

FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC—Continued

Government securities held by the public. They also include the net borrowing or repayment of borrowing of Government agencies and Government-sponsored enterprises through sales and redemptions of their own securities to the public. Excluded are changes in the public debt which do not represent direct cash borrowing or repayment of borrowing from the public. The major exclusions are the changes in public debt resulting from certain noncash transactions such as the issuance of United States Government notes and securities to the International Monetary Fund and to the trust funds.

Federal receipts from the public by major source and payments to the public by major program.—A line has been added this year to the following table to show separately the Government's payment to the Federal employees' retirement trust funds. This added line reflects the fact that beginning in 1958 the Government's payment will be made by the individual agencies. As a result, the amounts shown as payments to the public for each functional cate-

gory include the amounts transferred to the retirement trust funds. In 1957 and prior years the Government's payment was made in a lump sum to the Civil Service Commission and was not included in any functional category as a payment to the public.

The decline in the excess of receipts from the public between 1956 and 1957 is due primarily to the estimated increase in cash withdrawals from the Treasury in 1957 through the redemption of notes issued to the International Monetary Fund.

The excess of receipts from the public is estimated to be still lower in 1958, primarily as a result of higher net payments from trust funds for (1) the liberalization of old-age and survivors insurance in recent years and (2) the secondary mortgage market operations of the Federal National Mortgage Association.

Supporting schedules showing the detailed derivation of the figures in this analysis can be obtained upon request from the Bureau of the Budget.

FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

EXCLUDING MAJOR INTRAGOVERNMENTAL AND NONCASH TRANSACTIONS

[In millions]

Description	1956 actual	1957 estimate	1958 estimate
FEDERAL RECEIPTS FROM THE PUBLIC			
Individual income taxes.....	\$35,334	\$38,500	\$41,000
Corporation income taxes.....	21,299	21,400	22,000
Excise taxes.....	10,004	10,691	11,071
Employment taxes.....	7,296	7,750	8,420
Estate and gift taxes.....	1,171	1,380	1,475
Customs.....	705	775	800
Deposits by States, unemployment insurance.....	1,330	1,440	1,480
Veterans' life insurance premiums.....	441	450	456
Other budget and trust receipts.....	3,255	3,272	3,437
Refunds of receipts (—).....	—3,750	—3,938	—4,216
Total Federal receipts from the public.....	77,084	81,720	85,923
FEDERAL PAYMENTS TO THE PUBLIC			
Major national security.....	40,771	41,156	43,570
International affairs and finance.....	1,650	3,367	2,923
Veterans' services and benefits.....	5,283	5,446	5,648
Labor and welfare.....	10,558	12,107	13,910
Agriculture and agricultural resources.....	5,020	4,691	4,890
Natural resources.....	1,123	1,401	1,575
Commerce and housing.....	2,184	3,382	3,780
General government.....	1,578	1,569	1,708
Interest ¹	5,115	5,509	5,498
Deposit funds (net) ²	229	44	185
Allowance for contingencies.....	—	200	400
Employing agency payments for Federal employees' retirement (—).....	—	—	—571
Deduction (—) from Federal employees' salaries for retirement.....	—574	—585	—588
Increase (—) or decrease in clearing account for outstanding checks, etc. ³	—335	—23	43
Total Federal payments to the public.....	72,611	78,265	82,970
Excess of Federal receipts from the public.....	4,473	3,455	2,953

¹ Includes adjustment for change in public debt interest checks, coupons, and accruals outstanding.

² Excludes deposit funds of Government-sponsored enterprises.

³ Excludes that part of clearing account which is for public debt interest checks, coupons, and accruals outstanding.

SPECIAL ANALYSIS B

ANALYSIS OF BUDGET RECEIPTS

Estimates based on existing and proposed legislation

This special analysis provides supporting detail for the figures on budget receipts by source which are included in the tables of the budget message and in table 1 of part I.

The estimates of receipts from taxes and customs for the current and ensuing fiscal years are prepared in December of each year by the Treasury Department. In general, the estimates of miscellaneous receipts are prepared by the agencies depositing the receipts in the Treasury.

The receipts estimates reflect the high levels of business activity, personal income, and corporate profits attained in the calendar year 1956. They assume continued gains in the level of personal income and a moderate increase in corporate profits. The estimates for the fiscal years 1957 and 1958 are also based on the assumption that legislation will be enacted extending tax rates at their current levels for another year beyond April 1, 1957, as recommended by the President.

Detailed estimates of budget receipts under both existing and proposed legislation are contained on pages 1071 to 1074.

BUDGET RECEIPTS

Budget receipts in the fiscal year 1957 are estimated to amount to \$70,628 million, an increase of \$2,463 million over actual receipts in 1956. A further rise of \$2,992 million to \$73,620 million is estimated for 1958. The amounts to be reported as budget receipts in 1957 and 1958 are reduced by the Highway Revenue Act of 1956. Receipts from certain previously existing excise taxes which were included as budget receipts in 1956 and previous years are, in 1957 and 1958, treated as trust fund receipts.

FISCAL YEAR 1957

Actual receipts in 1956 and estimated receipts in 1957 are compared by major sources in the following table:

Budget receipts (by source)

[In millions]

Source	1956 actual	1957 estimate	Increase (+) or decrease (-), 1957 over 1956
Individual income taxes.....	\$35,334.1	\$38,500.0	+\$3,165.9
Corporation income taxes.....	21,298.5	21,400.0	+101.5
Excise taxes.....	10,004.2	10,691.0	+686.8
Employment taxes.....	7,295.8	7,750.0	+454.2
Estate and gift taxes.....	1,171.2	1,380.0	+208.8
Taxes not otherwise classified.....	5.3	5.0	-.3
Customs.....	704.9	775.0	+70.1
Miscellaneous receipts.....	3,006.4	2,986.0	-20.4
Deduct.....			
Transfer to Federal old-age and survivors insurance trust fund.....	6,336.8	6,445.0	+108.2
Transfer to Federal disability insurance trust fund.....		335.0	+335.0
Transfer to railroad retirement account.....	634.3	660.0	+25.7
Transfer to highway trust fund.....		1,539.0	+1,539.0
Refunds of receipts.....	3,684.0	3,880.0	+196.0
Net budget receipts.....	68,165.3	70,628.0	+2,462.7

Greater receipts from the individual income tax are primarily responsible for the estimated increase of \$2,463 million in net budget receipts in 1957. Other receipt categories also increase, in some cases significantly in relative terms but not in absolute amounts. Only about one-half of the increase in gross receipts is carried through

to net budget receipts. The deduction for the transfer of certain excise tax receipts to the highway trust fund is much larger than the increase in gross excise tax receipts and the increase in employment taxes is eliminated by the deduction for transfers to trust accounts.

Individual income tax.—Receipts from the individual income tax are estimated to be \$38,500 million in 1957, an increase of \$3,166 million over actual receipts of \$35,334 million in 1956. The increase results from the rise in incomes which has taken place in the calendar year 1956 and the expected continuation of rising personal incomes in the first half of the calendar year 1957.

Corporation income tax.—Corporation income tax receipts in 1957 are estimated to amount to \$21,400 million, as compared with receipts of \$21,299 million in 1956. The rise of \$101 million reflects a modest increase in corporate profits as estimated for the calendar year 1956, the profit level which primarily determines receipts in 1957. Other factors of a technical nature which affect the 1956-57 comparison of receipts are largely offsetting.

Excise taxes.—Receipts from this source are listed in the table below:

Excise tax receipts

[In millions]

Source	1956 actual	1957 estimate	Increase (+) or decrease (-), 1957 over 1956
Alcohol taxes.....	\$2,920.6	\$3,003.0	+\$82.4
Tobacco taxes.....	1,613.5	1,643.0	+29.5
Taxes on documents, other instruments, and playing cards.....	114.9	110.0	-4.9
Manufacturers' excise taxes.....	3,456.0	3,882.0	+426.0
Retailers' excise taxes.....	321.9	341.0	+19.1
Miscellaneous excise taxes.....	1,608.5	1,712.0	+103.5
Undistributed depositary receipts and unclassified advance payments of excise taxes.....	-31.2		+31.2
Total excise taxes.....	10,004.2	10,691.0	+686.8
Deduct transfer to highway trust fund.....		1,539.0	+1,539.0
Net excise taxes.....	10,004.2	9,152.0	-852.2

The receipts from practically all excise taxes are expected to increase in 1957, the total reaching \$10,691 million. Important exceptions are the tax on passenger automobiles, the admissions tax, and the tax on transportation of persons. A decrease is anticipated in the tax on passenger automobiles because of the decline of automobile production which occurred in the calendar year 1956. It is expected that automobile production will increase in 1957 but will not achieve the very high levels of the calendar year 1955. The relatively large decline in receipts estimated for the admissions tax is attributable to the increase in the admissions exemption from 50 cents to 90 cents. The yield of the tax on transportation of persons is adversely affected by the exemption of certain travel.

Large relative increases in receipts are estimated only for those taxes affected by the Highway Revenue Act. This act increased the tax on gasoline used for highway purposes from 2 cents to 3 cents a gallon; increased the tax on diesel fuel from 2 cents to 3 cents a gallon; increased the tax on tires for highway-type vehicles from 5 cents a pound to 8 cents; increased the tax on trucks and buses from 8 percent to 10 percent of manufacturers' price; imposed a new

SPECIAL ANALYSIS B—Continued

ANALYSIS OF BUDGET RECEIPTS—Continued

tax on rubber for retreading tires for highway-type vehicles of 3 cents a pound, and imposed a new tax of \$1.50 a thousand pounds on the total weight of highway vehicles over 26,000 pounds of gross vehicle weight. These taxes were effective July 1, 1956, but, because of the lag in collections, a full 12 months of receipts will not be collected in 1957.

The increased revenue from these higher tax rates and new taxes is responsible for most of the increase in gross excise tax receipts in 1957. However, the revenues from all of the taxes affected by the Highway Revenue Act are transferred to the highway trust fund. The net effect of the act is to reduce excise tax receipts remaining in budget receipts so that net excise taxes in 1957 are estimated to be \$852 million less than in 1956.

Employment taxes.—The yield of the employment taxes is shown in the following table:

Employment tax receipts

[In millions]

Source	1956 actual	1957 estimate	Increase (+) or de- crease (—), 1957 over 1956
Federal Insurance Contributions Act and Self-Employment Contributions Act.....	\$6,336.8	\$6,780.0	+\$443.2
Railroad Retirement Tax Act.....	634.3	660.0	+25.7
Federal Unemployment Tax Act.....	324.7	310.0	—14.7
Total employment taxes.....	7,295.8	7,750.0	+454.2
Deduct—			
Transfer to Federal old-age and survivors insurance trust fund.....	6,336.8	6,445.0	+108.2
Transfer to Federal disability insurance trust fund.....		335.0	+335.0
Transfer to railroad retirement account.....	634.3	660.0	+25.7
Net employment taxes.....	324.7	310.0	—14.7

The estimated increase in receipts under the Federal Insurance Contributions Act and the Self-Employment Contributions Act results from increased levels of salaries and wages subject to tax and increased tax rates. The increase in receipts resulting from the higher rates are to be transferred to the Federal disability insurance trust fund. Receipts from the Federal Unemployment Tax Act are estimated to be lower in 1957 than in 1956 because of the bunching of receipts in 1956 as a result of the elimination of installment payments.

Estate and gift taxes.—Receipts from estate and gift taxes are estimated to be \$1,380 million in 1957, a rise of \$209 million reflecting recent increases in estate values.

Customs.—Customs receipts are estimated to amount to \$775 million in 1957. This 10 percent increase of \$70 million reflects a higher level of business activity.

Miscellaneous receipts.—Receipts from miscellaneous sources are estimated to be \$2,986 million in 1957 as compared with \$3,006 million in 1956.

Refunds of receipts.—Refunds of receipts are estimated to be \$3,880 million in 1957 as compared to actual refunds of \$3,684 million in 1956.

FISCAL YEAR 1958

Estimated receipts in 1957 and 1958 are compared by major sources in the following table:

Budget receipts (by source)

[In millions]

Source	1957 estimate	1958 estimate	Increase (+) or de- crease (—), 1958 over 1957
Individual income taxes.....	\$38,500.0	\$41,000.0	+\$2,500.0
Corporation income taxes.....	21,400.0	22,000.0	+600.0
Excise taxes.....	10,691.0	11,071.0	+380.0
Employment taxes.....	7,750.0	8,420.0	+670.0
Estate and gift taxes.....	1,380.0	1,475.0	+95.0
Taxes not otherwise classified.....	5.0	5.0	-----
Customs.....	775.0	800.0	+25.0
Miscellaneous receipts.....	2,986.0	3,278.0	+292.0
Deduct—			
Transfer to Federal old-age and survivors insurance trust fund.....	6,445.0	6,609.0	+164.0
Transfer to Federal disability insurance trust fund.....	335.0	826.0	+491.0
Transfer to railroad retirement account.....	660.0	665.0	+5.0
Transfer to highway trust fund.....	1,539.0	2,173.0	+634.0
Refunds of receipts.....	3,880.0	4,156.0	+276.0
Net budget receipts.....	70,628.0	73,620.0	+2,992.0

Budget receipts in 1958 are estimated to amount to \$73,620 million. This is an increase of \$2,992 million over estimated receipts in 1957.

All sources of receipts are expected to increase in 1958, with the largest absolute rises affecting net budget receipts occurring in individual and corporation income tax collections. The gain in individual income tax receipts is smaller than in 1957 but is augmented by a rise of \$600 million in corporation income tax receipts in 1958. Miscellaneous receipts are also expected to rise in 1958.

Individual income tax.—Reflecting continuing gains in personal incomes, receipts from the individual income tax are expected to increase from \$38,500 million in 1957 to \$41,000 million in 1958.

Corporation income tax.—Receipts from the corporation income tax are estimated to amount to \$22,000 million in 1958. This is \$600 million above estimated receipts in 1957, reflecting a small estimated rise in profits from calendar year 1956 to calendar year 1957.

Excise taxes.—Receipts from this source, by major groups, are listed in the table below:

Excise tax receipts

[In millions]

Source	1957 estimate	1958 estimate	Increase (+) or de- crease (—), 1958 over 1957
Alcohol taxes.....	\$3,003.0	\$3,028.0	+\$25.0
Tobacco taxes.....	1,643.0	1,626.0	—17.0
Taxes on documents, other instruments, and playing cards.....	110.0	110.0	-----
Manufacturers' excise taxes.....	3,882.0	4,184.0	+302.0
Retailers' excise taxes.....	341.0	357.0	+16.0
Miscellaneous excise taxes.....	1,712.0	1,766.0	+54.0
Total excise taxes.....	10,691.0	11,071.0	+380.0
Deduct transfer to highway trust fund.....	1,539.0	2,173.0	+634.0
Net excise taxes.....	9,152.0	8,898.0	—254.0

Total excise taxes are estimated to increase \$380 million to \$11,071 million in 1958. This gain reflects a higher level of taxable goods and services and the full year effect

SPECIAL ANALYSIS B—Continued
ANALYSIS OF BUDGET RECEIPTS—Continued

of increased rates and new taxes under the Highway Revenue Act.

Employment taxes.—The yield of the employment taxes is shown in the following table:

Employment tax receipts
[In millions]

Source	1957 estimate	1958 estimate	Increase (+) or decrease (—), 1958 over 1957
Federal Insurance Contributions Act and Self-Employment Contributions Act....	\$6,780.0	\$7,435.0	+\$655.0
Railroad Retirement Tax Act.....	660.0	665.0	+5.0
Federal Unemployment Tax Act.....	310.0	320.0	+10.0
Total employment taxes.....	7,750.0	8,420.0	+670.0
Deduct—			
Transfer to Federal old-age and survivors insurance trust fund.....	6,445.0	6,609.0	+164.0
Transfer to Federal disability insurance trust fund.....	335.0	826.0	+491.0
Transfer to railroad retirement account.....	660.0	665.0	+5.0
Net employment taxes.....	310.0	320.0	+10.0

Receipts from the Federal Insurance Contributions Act and the Self-Employment Contributions Act are estimated to increase as a result of higher levels of salaries and wages and the full year effect of the higher tax rates. The increased receipts resulting from the higher tax rates are to be transferred to the Federal disability insurance trust fund.

Estate and gift taxes.—Receipts from estate and gift taxes are estimated to increase to \$1,475 million in 1958, a rise of \$95 million.

Customs.—A continued high level of business activity is expected to increase customs receipts in 1958.

Miscellaneous receipts.—Most sources of miscellaneous receipts are estimated to show some increase in 1958. The total is estimated at \$3,278 million, up \$292 million from the 1957 estimate.

Refunds of receipts.—Refunds of receipts are estimated to be \$4,156 million in 1958, an increase of \$276 million over the estimated refunds of \$3,880 million in 1957.

SPECIAL ANALYSIS B—Continued

BUDGET RECEIPTS

BY SOURCE

Based on existing and proposed legislation

[In thousands]

Source	1956 actual	1957 estimate	1958 estimate
Individual income taxes:			
Witbbeld.....	\$24,012,110	\$26,100,000	\$27,800,000
Other.....	11,321,966	12,400,000	13,200,000
Total individual income taxes.....	35,334,077	38,500,000	41,000,000
Corporation income taxes:			
Under existing legislation.....	21,298,522	21,400,000	20,500,000
Under proposed legislation.....			1,500,000
Total corporation income taxes under existing and proposed legislation.....	21,298,522	21,400,000	22,000,000
Excise taxes:			
Alcohol taxes:			
Under existing legislation:			
Distilled spirits (domestic and imported).....	2,023,334	2,061,000	2,050,000
Fermented malt liquors.....	765,441	739,000	692,000
Rectification tax.....	24,384	24,000	24,000
Wines (domestic and imported).....	86,580	86,000	82,000
Special taxes in connection with liquor occupations.....	20,785	20,900	20,900
All other.....	50	100	100
Total alcohol taxes under existing legislation.....	2,920,574	2,931,000	2,869,000
Under proposed legislation.....		72,000	159,000
Total alcohol taxes under existing and proposed legislation.....	2,920,574	3,003,000	3,028,000
Tobacco taxes:			
Under existing legislation:			
Cigarettes (small).....	1,549,045	1,531,000	1,426,000
Tobacco (chewing and smoking).....	14,870	14,200	14,100
Cigars (large).....	44,982	44,500	45,600
Snuff.....	3,822	3,600	3,600
Cigarette papers and tubes.....	622	600	600
All other.....	156	100	100
Total tobacco taxes under existing legislation.....	1,613,497	1,594,000	1,490,000
Under proposed legislation.....		49,000	136,000
Total tobacco taxes under existing and proposed legislation.....	1,613,497	1,643,000	1,626,000
Taxes on documents, other instruments, and playing cards:			
Issues of securities, stock, and bond transfers, and deeds of conveyance.....	108,031	103,500	103,500
Playing cards.....	6,843	6,400	6,400
Silver bullion sales or transfers.....	53	100	100
Total taxes on documents, other instruments, and playing cards.....	114,927	110,000	110,000
Manufacturers' excise taxes:			
Under existing legislation:			
Gasoline.....	1,030,397	1,521,000	1,693,000
Lubricating oils.....	74,584	75,000	75,000
Passenger automobiles.....	1,376,372	1,135,000	964,000
Automobile trucks, buses, and trailers.....	189,434	211,000	234,000
Parts and accessories for automobiles.....	145,797	143,000	95,000
Tires and inner tubes.....	177,872	235,000	266,000
Tread rubber.....		9,000	11,000
Electric, gas, and oil appliances.....	71,064	74,000	75,000
Electric light bulbs.....	22,854	24,000	25,000
Radio and television receiving sets, phonographs, phonograph records, and musical instruments.....	186,199	171,000	171,000
Mechanical refrigerators, quick-freeze units, and self-contained air-conditioning units.....	49,078	50,000	50,000
Business and store machines.....	70,146	78,000	83,000
Photographic equipment.....	17,373	20,000	22,000
Matches.....	6,160	6,000	6,000
Sporting goods, including fishing rods, creels, etc.....	13,653	14,000	14,000
Firearms, shells, and cartridges.....	14,302	16,000	18,000
Pistols and revolvers.....	1,153	1,000	1,000

SPECIAL ANALYSIS B—Continued

BUDGET RECEIPTS—Continued

[In thousands]

Source	1956 actual	1957 estimate	1958 estimate
Excise taxes—Continued			
Manufacturers' excise taxes—Continued			
Under existing legislation—Continued			
Fountain and ball-point pens; mechanical pencils.....	\$9,576	\$10,000	\$10,000
Floor stocks taxes under the Highway Revenue Act of 1956.....		24,000	
Total manufacturers' excise taxes under existing legislation.....	3,456,013	3,817,000	3,813,000
Under proposed legislation.....		65,000	371,000
Total manufacturers' excise taxes under existing and proposed legislation.....	3,456,013	3,882,000	4,184,000
Retailers' excise taxes:			
Jewelry.....	152,340	160,000	166,000
Furs.....	28,261	31,000	32,000
Toilet preparations.....	83,776	93,000	100,000
Luggage, handbags, wallets, etc.....	57,519	57,000	59,000
Total retailers' excise taxes.....	321,896	341,000	357,000
Miscellaneous excise taxes:			
Telephono, telegraph, radio and cable facilities, leased wires, etc.....	241,543	258,000	280,000
Local telephone service.....	315,600	345,000	370,000
Transportation of oil by pipeline.....	35,681	38,000	40,000
Transportation of persons.....	214,903	208,000	206,000
Transportation of property.....	450,579	450,000	500,000
Diesel fuel, including special motor fuels.....	24,461	35,000	38,000
Use tax on certain vehicles.....		46,000	48,000
Admissions, exclusive of cabarets, roof gardens, etc.....	104,018	68,000	45,000
Cabarets, roof gardens, etc.....	42,255	43,000	43,000
Wagering taxes, including occupational taxes.....	7,025	7,000	7,000
Club dues and initiation fees.....	47,171	55,000	60,000
Leases of safe deposit boxes.....	5,512	6,000	6,000
Coconut and other vegetable oils, processed.....	18,535	19,000	19,000
Sugar tax.....	82,894	85,000	85,000
Coin-operated amusement and gaming devices.....	14,246	15,000	15,000
Bowling alleys and billiard and pool tables.....	2,955	3,000	3,000
All other miscellaneous excise taxes.....	1,028	1,000	1,000
Total miscellaneous excise taxes.....	1,608,497	1,712,000	1,766,000
Undistributed depositary receipts and unclassified advance payments of excise taxes.....	-31,209		
Total excise taxes:			
Under existing legislation.....	10,004,195	10,505,000	10,405,000
Under proposed legislation.....		186,000	666,000
Total excise taxes under existing and proposed legislation.....	10,004,195	10,691,000	11,071,000
Employment taxes:			
Federal Insurance Contributions Act and Self-Employment Contributions Act.....	6,336,805	6,780,000	7,435,000
Railroad Retirement Tax Act.....	634,323	660,000	665,000
Federal Unemployment Tax Act.....	324,656	310,000	320,000
Total employment taxes.....	7,295,784	7,750,000	8,420,000
Estate and gift taxes.....	1,171,237	1,380,000	1,475,000
Taxes not otherwise classified.....	5,269	5,000	5,000
Customs.....	704,898	775,000	800,000
Miscellaneous receipts:			
Miscellaneous taxes.....	3,364	3,181	3,181
Seigniorage.....	23,459	30,200	41,040
Coinage.....	1,314	483	493
Fees for permits and licenses:			
Admission permits and fees.....	4,415	4,661	4,913
Business concessions.....	6,445	7,129	7,443
Immigration, passport, and consular fees.....	16,921	16,812	17,412
Patent and copyright fees.....	7,362	7,691	7,899
Registration and filing fees.....	3,297	3,466	3,620
Miscellaneous fees for permits and licenses.....	10,501	11,126	10,767
Total fees for permits and licenses.....	48,941	50,885	52,054

SPECIAL ANALYSIS B—Continued

BUDGET RECEIPTS—Continued

[In thousands]

Source	1956 actual	1957 estimate	1958 estimate
Miscellaneous receipts—Continued			
Fines, penalties, and forfeitures:			
Fines, penalties, and forfeitures, agricultural laws.....	\$8,996	\$6,798	\$6,043
Fines, penalties, and forfeitures, emergency war laws.....	727	283	263
Fines, penalties, and forfeitures, immigration and labor laws.....	463	433	433
Fines, penalties, and forfeitures, customs, commerce, and antitrust laws.....	2,230	1,664	1,664
Fines, penalties, and forfeitures, narcotic, prohibition, and alcohol laws.....	86	63	63
Forfeitures, unclaimed money and property.....	51,083	698	673
Miscellaneous fines, penalties, and forfeitures.....	2,205	2,307	2,288
Total fines, penalties, and forfeitures.....	65,789	12,246	11,427
Gifts and contributions:			
Contributions to "conscience fund".....	82	74	74
Gifts to the United States.....	214	251	251
Total gifts and contributions.....	296	325	325
Interest:			
Interest on loans, Government corporations and enterprises.....	224,341	410,985	438,095
Interest on securities and advances of Government corporations.....	114,675	104,995	94,691
Interest on loans, States, municipalities, and other public bodies.....	125	133	130
Interest on loans to individuals and private organizations.....	449	333	317
Interest on loans, foreign governments.....	154,488	86,942	156,909
Miscellaneous interest collections.....	60,402	54,668	57,941
Total interest.....	554,480	658,055	748,083
Dividends and other earnings:			
Earnings from Government-owned enterprises.....	111		
Earnings from Government-sponsored enterprises.....	289,973	421,870	424,749
Miscellaneous dividends and earnings.....	1,247	2,085	2,335
Total dividends and other earnings.....	291,331	423,956	427,084
Rents:			
Rent of land.....	122,751	14,315	62,352
Rent of buildings and grounds.....	28,856	29,645	29,372
Rent of equipment and facilities.....	41,602	47,275	43,873
Total rents.....	193,209	91,235	135,597
Royalties:			
Royalties on minerals and other natural resources.....	68,627	144,188	148,794
Royalties on patents and copyrights.....	23	13	9
Total royalties.....	68,650	144,200	148,802
Sale of products:			
Sale of agricultural products, livestock, and livestock products.....	283	267	267
Sale of timber, wildlife, and other natural land products.....	143,929	151,945	195,814
Sale of minerals and mineral products.....	14,642	15,160	15,160
Sale of power and other utilities.....	129,878	145,997	158,742
Sale of publications and reproductions.....	3,302	3,786	3,920
Sale of scrap, salvage, and waste (byproducts).....	12,509	10,499	10,500
Sale of miscellaneous products.....	8,092	8,602	8,601
Total sale of products.....	312,816	336,256	393,004
Fees and other charges for services:			
Fees and other charges for accounting, legal, and judicial services.....	8,613	8,629	8,800
Fees and other charges for communication and transportation services.....	7,246	6,665	6,745
Fees and other charges for quarters, subsistence, laundry, and health services.....	4,554	4,384	4,463
Fees and other charges for testing, inspection, and grading services.....	2,843	2,554	2,487
Fees and other charges for administrative, professional, and scientific services.....	4,721	5,510	4,078
Fees and other charges for miscellaneous services.....	7,656	7,126	7,250
Total fees and other charges for services.....	35,634	34,869	33,823

SPECIAL ANALYSIS B—Continued

BUDGET RECEIPTS—Continued

[In thousands]

Source	1956 actual	1957 estimate	1958 estimate
Miscellaneous receipts—Continued			
Sale of Government property:			
Sale of public land and buildings.....	\$13,510	\$13,899	\$19,979
Sale of surplus Government property.....	315,583	141,564	158,058
Sale of other Government property.....	150,795	124,290	115,588
Total sale of Government property.....	479,888	279,754	293,625
Realization upon loans and investments:			
Repayment of capital investment, Government-owned enterprises.....	882	800	800
Repayment of capital investment, Government-sponsored enterprises.....			4,595
Repayment of loans, foreign governments.....	50,277	63,251	58,530
Repayment of loans, States, municipalities, and other public bodies.....	138	181	254
Repayment of loans, individuals and private organizations.....	237,588	262,667	284,622
Proceeds from sale of securities, stocks and collateral.....	1,365	1,120	1,151
Repayments upon other loans and investments.....	398	377	357
Total realization upon loans and investments.....	290,648	328,396	350,309
Recoveries and refunds:			
Compensation for Government property lost or damaged.....	10,601	9,650	9,649
War reparations and recoveries under military occupation.....	173	100	1
Recoveries of excess profits and costs.....	50,519	49,878	47,462
Recoveries under foreign aid programs.....	206,993	312,800	326,600
Miscellaneous recoveries and refunds.....	368,341	219,532	255,450
Total recoveries and refunds.....	636,627	591,960	639,161
Total miscellaneous receipts.....	3,006,445	2,986,000	3,278,000
Deduct—			
Transfer to Federal old-age and survivors insurance trust fund.....	6,336,805	6,445,000	6,609,000
Transfer to Federal disability insurance trust fund.....		335,000	826,000
Transfer to railroad retirement account.....	634,262	660,000	665,000
Transfer to highway trust fund.....		1,539,000	2,173,000
Refunds of receipts:			
Under existing legislation.....	3,684,030	3,880,000	4,341,000
Under proposed legislation.....			—185,000
Net budget receipts.....	68,165,330	70,628,000	73,620,000

SPECIAL ANALYSIS C

ANALYSIS OF BUDGET BY FUNCTION AND AGENCY

This special analysis provides supporting detail for the data on new obligational authority and expenditures by function included in the budget message and the President's analysis of the budget, and tables 1 and 2 of part I.

For each function and subfunction, data are listed by agencies. In order to find the appropriation items which make up the amounts shown for the agency, it is necessary to look in the chapter summary for that agency. Each entry in the chapter summary is coded to indicate the subfunction in which it is classified.

The functional classification used in this budget summarizes authorizations and expenditures according to the major purposes of the Government. Each function brings together programs which are related to a broad purpose, regardless of the agency responsible. Each major function is divided into several subfunctions which are groups of programs directed to a selected field within the broader category. Changes made in the classification this year are specified in a note in special analysis L.

For purposes of this classification each appropriation account and each revolving and management fund is treated as a unit. Exceptions are made, and accounts are split into two or more categories, in only selected cases. This necessarily involves some close decisions in borderline

cases, and it means that programs with secondary significance for some major functions will be included in another category because another purpose predominates in the particular appropriation. Thus, to secure a comprehensive total of all Government programs related to education, for example, it would be necessary to provide a special tabulation, counting in this category some appropriations which might also be relevant to other categories.

For each major function and subfunction, expenditures are shown on a gross basis, with a deduction for receipts of public enterprise funds to arrive at net budget expenditures for the function or subfunction.

Whereas this special analysis presents both authorizations and expenditures for major functions, subfunctions, and agencies over a 3-year period, special analysis L shows expenditures for the major functions and subfunctions over a 10-year period. Special analysis A shows Federal Government payments to the public, classified by major function. The functional categories are also used in the analyses summarizing Federal activities in public works and other construction, Federal aid to State and local governments, and Federal research and development programs.

SPECIAL ANALYSIS C—Continued

ANALYSIS OF THE BUDGET

BY FUNCTION AND AGENCY

Based on existing and proposed legislation

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
MAJOR NATIONAL SECURITY						
051. Direction and coordination of defense:						
Department of Defense—Military Functions: Office of the Secretary of Defense.....	\$13,466,500	\$14,950,000	\$17,175,000	\$13,588,936	\$14,440,000	\$16,850,000
052. Air Force defense:						
Department of Defense—Military Functions: Air Force.....	15,516,965,170	17,689,725,000	16,481,000,000	16,748,842,267	16,890,000,000	17,472,000,000
053. Army defense:						
Department of Defense—Military Functions: Army.....	7,353,653,000	7,645,276,862	8,539,000,000	8,701,864,249	8,581,197,000	9,131,411,000
Deduct receipts of public enterprise funds.....					1,197,000	1,411,000
Total, Army defense (net).....	7,353,653,000	7,645,276,862	8,539,000,000	8,701,864,249	8,580,000,000	9,130,000,000
054. Naval defense:						
Department of Defense—Military Functions: Navy.....	9,648,405,372	10,199,597,000	10,517,100,000	9,744,853,821	9,732,123,327	10,349,395,000
Deduct receipts of public enterprise funds.....				478,060	2,123,327	2,395,000
Total, naval defense (net).....	9,648,405,372	10,199,597,000	10,517,100,000	9,744,375,764	9,730,000,000	10,347,000,000
055. Other central defense activities:						
Funds appropriated to the President.....				14,095		
Department of Defense—Military Functions: Interservice activities.....	654,012,400	637,102,500	687,825,000	582,206,718	636,850,000	714,070,000
Subtotal.....	654,012,400	637,102,500	687,825,000	582,220,813	636,850,000	714,070,000
Deduct receipts of public enterprise funds.....					1,290,000	26,920,000
Total, other central defense activities (net).....	654,012,400	637,102,500	687,825,000	582,220,813	635,560,000	687,150,000
056. Development and control of atomic energy:						
Independent offices: Atomic Energy Commission.....	1,179,184,297	1,961,427,668	2,519,727,668	1,650,661,132	1,940,000,000	2,340,000,000
057. Stockpiling and defense production expansion:						
Funds appropriated to the President.....				440,452,220	333,797,802	304,884,350
General Services Administration.....	521,070,000		130,000,000	350,920,819	425,000,000	345,000,000
Subtotal.....	521,070,000		130,000,000	791,373,039	758,797,802	649,884,350
Deduct receipts of public enterprise funds.....				203,414,387	333,797,802	254,884,350
Total, stockpiling and defense production expansion (net).....	521,070,000		130,000,000	587,958,652	425,000,000	395,000,000
058. Military assistance:						
Funds appropriated to the President.....	1,016,200,000	2,017,500,000	2,450,000,000	2,611,206,601	2,600,008,557	2,600,000,000
Other major national security (proposed supplemental).....		200,000,000	2,257,900,000		150,000,000	347,000,000
Total, major national security (gross).....	35,902,956,739	40,365,579,030	43,599,727,668	40,844,610,861	41,303,416,686	43,620,610,350
Deduct receipts of public enterprise funds.....				203,892,447	338,408,129	285,610,350
Total, major national security (net).....	35,902,956,739	40,365,579,030	43,599,727,668	40,640,718,414	40,965,008,557	43,335,000,000
Enacted or recommended in this document.....	35,902,956,739	40,165,579,030	38,771,827,668	40,640,718,414	40,815,008,557	42,458,000,000
Proposed for later transmission.....		200,000,000	4,827,900,000		150,000,000	877,000,000
INTERNATIONAL AFFAIRS AND FINANCE						
151. Conduct of foreign affairs:						
Independent offices: Tariff Commission.....	1,483,000	1,580,500	1,700,000	1,479,802	1,570,985	1,694,576
Department of State.....	123,584,312	199,697,218	187,309,020	118,349,910	153,039,374	192,686,219
Total, conduct of foreign affairs.....	128,067,312	201,277,718	189,009,020	119,829,712	154,610,359	194,380,795
152. Economic and technical development:						
Funds appropriated to the President.....	1,702,141,750	1,795,070,000	1,950,000,000	1,606,623,468	1,516,258,377	1,763,256,795
Independent offices:						
Export-Import Bank of Washington.....				211,674,819	776,273,973	669,819,205
General Services Administration.....				594,289	341,342	322,000
Department of Agriculture.....	78,931,661	88,628,927	94,483,518	93,584,969	127,366,982	44,644,000
Department of Commerce.....	62,980,000		12,000,000	4,914,024	20,000,000	25,000,000
Department of Defense—Civil Functions: Department of the Army.....	3,000,000	2,350,000	13,075,000	3,289,124	2,400,000	4,700,000

* Deduct, excess of repayments and collections over expenditures.

SPECIAL ANALYSIS C—Continued
ANALYSIS OF THE BUDGET—Continued

BY FUNCTION AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
INTERNATIONAL AFFAIRS AND FINANCE—Continued						
152. Economic and technical development—Continued						
Department of State.....	\$2,000,000	\$2,000,000	\$2,000,000	\$1,017,388	\$2,007,500	\$2,001,300
Treasury Department.....	35,168,000				35,168,000	
Subtotal.....	1,884,221,411	1,888,048,927	2,071,558,518	1,920,514,533	2,479,816,174	2,509,099,300
Deduct receipts of public enterprise funds.....				304,847,783	384,289,775	433,661,184
Total, economic and technical development (net).....	1,884,221,411	1,888,048,927	2,071,558,518	1,615,666,750	2,095,526,399	2,075,438,116
153. Foreign information and exchange activities:						
Funds appropriated to the President.....	5,000,000	9,900,000	20,000,000	5,491,948	8,522,751	17,950,000
Independent offices: United States Information Agency.....	87,336,630	113,000,000	144,000,000	85,967,985	103,000,000	128,000,000
Department of State.....	18,395,659	20,495,700	35,295,700	19,540,070	20,735,420	28,600,000
Total, foreign information and exchange activities.....	110,732,289	143,395,700	199,295,700	111,000,003	132,258,171	174,550,000
Total, international affairs and finance (gross).....	2,123,021,012	2,232,722,345	2,459,863,238	2,151,344,248	2,766,684,704	2,878,630,095
Deduct receipts of public enterprise funds.....				304,847,783	384,289,775	433,661,184
Total, international affairs and finance (net).....	2,123,021,012	2,232,722,345	2,459,863,238	1,846,496,465	2,382,394,929	2,444,968,911
Enacted or recommended in this document.....	2,123,021,012	2,230,741,845	509,863,238	1,846,496,465	2,380,765,929	1,844,017,411
Proposed for later transmission.....		1,980,500	1,950,000,000		1,629,000	600,351,500
VETERANS' SERVICES AND BENEFITS						
101. Veterans' education and training:						
Independent offices: Veterans Administration.....	766,782,885	786,569,000	757,592,000	766,607,153	790,811,135	757,592,000
102. Other veterans' readjustment benefits:						
Independent offices: Veterans Administration.....	54,314,115	65,461,000	71,868,000	54,331,786	65,481,414	71,886,000
Department of Labor.....	105,067,250	70,000,000	42,000,000	68,411,811	56,000,000	38,300,000
Subtotal.....	159,381,365	135,461,000	113,868,000	122,743,597	121,481,414	110,186,000
Deduct receipts of public enterprise funds.....				39,852	40,000	20,000
Total, other veterans' readjustment benefits (net).....	159,381,365	135,461,000	113,868,000	122,703,745	121,441,414	110,166,000
103. Veterans' compensation and pensions:						
Independent offices: Veterans Administration.....	2,798,872,258	2,907,000,000	3,090,000,000	2,797,509,239	2,896,157,918	3,103,000,000
104. Veterans' insurance and servicemen's indemnities:						
Independent offices: Veterans Administration.....	130,248,568	56,570,000	46,070,000	121,374,951	72,222,661	66,695,268
Deduct receipts of public enterprise funds.....				16,275,595	23,106,586	24,896,856
Total, veterans' insurance and servicemen's indemnities (net).....	130,248,568	56,570,000	46,070,000	105,099,356	49,116,075	41,798,412
105. Veterans' hospitals and medical care:						
Independent offices: Veterans Administration.....	788,211,400	828,679,800	857,071,000	787,843,494	816,171,439	835,624,911
106. Other veterans' services and administration:						
Independent offices:						
American Battle Monuments Commission.....	4,069,000	2,190,000	2,800,000	4,494,692	4,051,717	4,350,000
Veterans Administration.....	169,009,000	165,655,130	167,382,000	197,674,736	197,576,086	199,441,772
Department of Defense—Civil Functions: Department of the Army.....	6,000,000	7,034,000	6,775,000	5,465,485	6,977,481	7,080,000
Department of Labor.....	383,000	383,000	542,000	383,691	383,086	534,000
Subtotal.....	179,461,000	175,262,130	177,499,000	208,018,604	208,988,370	211,405,772
Deduct receipts of public enterprise funds.....				31,881,398	31,650,983	32,528,371
Total, other veterans' services and administration (net).....	179,461,000	175,262,130	177,499,000	176,137,206	177,337,387	178,877,401
Total, veterans' services and benefits (gross).....	4,822,957,476	4,889,541,930	5,042,100,000	4,804,097,038	4,905,832,937	5,084,503,951
Deduct receipts of public enterprise funds.....				48,196,845	54,797,569	57,445,227
Total, veterans' services and benefits (net).....	4,822,957,476	4,889,541,930	5,042,100,000	4,755,900,193	4,851,035,368	5,027,058,724
Enacted or recommended in this document.....	4,822,957,476	4,807,072,930	4,942,100,000	4,755,900,193	4,769,925,368	4,925,978,724
Proposed for later transmission.....		82,469,000	100,000,000		81,110,000	101,080,000

SPECIAL ANALYSIS C—Continued
ANALYSIS OF THE BUDGET—Continued

BY FUNCTION AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
LABOR AND WELFARE						
211. Labor and manpower:						
Independent offices:						
Federal Coal Mine Safety Board of Review.....	\$70,000	\$70,000	\$70,000	\$58,247	\$69,021	\$70,000
Federal Mediation and Conciliation Service.....	3,294,000	3,305,000	3,610,000	3,309,241	3,332,604	3,581,750
National Labor Relations Board.....	8,800,000	8,951,500	9,575,000	8,840,308	8,800,000	9,520,000
National Mediation Board.....	1,187,000	1,212,000	1,295,000	1,130,867	1,197,000	1,295,000
National Security Training Commission.....	40,000	50,000	75,000	33,840	52,854	72,500
Selective Service System.....	28,442,000	29,050,000	30,000,000	26,788,787	29,215,000	30,400,000
Department of the Interior.....	5,305,000	5,304,300	5,900,000	5,430,830	5,305,000	5,840,000
Department of Labor.....	279,935,900	283,173,500	310,498,000	263,747,959	274,556,721	300,600,100
Treasury Department.....	167,807,591	62,037,287	52,549,289	167,807,591	62,037,287	52,549,289
Subtotal.....	494,881,491	393,153,587	413,572,289	477,147,670	384,565,487	403,928,639
Deduct receipts of public enterprise funds.....				1,677,643	3,265,000	3,630,000
Total, labor and manpower (net).....	494,881,491	393,153,587	413,572,289	475,470,027	381,300,487	400,298,639
212. Public assistance:						
Department of Health, Education, and Welfare.....	1,448,820,650	1,578,995,000	1,684,431,000	1,457,083,601	1,584,338,143	1,684,351,544
213. Promotion of public health:						
Independent offices: Interstate Commission on the Potomac River Basin.....	5,000	5,000	5,000	5,000	5,000	5,000
General Services Administration.....	1,610,000			9,089,264	9,450,000	5,500,000
Department of Health, Education, and Welfare.....	445,395,732	598,571,638	632,670,500	342,412,806	491,519,810	600,677,415
Subtotal.....	447,010,732	598,576,638	632,675,500	351,507,070	500,974,810	606,182,415
Deduct receipts of public enterprise funds.....				192,143	190,262	191,900
Total, promotion of public health (net).....	447,010,732	598,576,638	632,675,500	351,314,927	500,784,548	605,990,515
214. Promotion of education:						
Department of Health, Education, and Welfare.....	169,180,231	275,065,237	680,451,912	229,522,340	232,757,041	476,052,305
Department of the Interior.....	43,748,280	51,470,220	59,560,000	45,603,118	49,913,000	57,430,000
Total, promotion of education.....	212,928,511	326,535,457	740,011,912	275,125,458	282,670,041	533,482,305
215. General-purpose research, libraries, and museums:						
Legislative branch.....	7,983,923	8,316,293	9,709,450	7,763,746	8,184,332	9,569,304
Independent offices:						
National Science Foundation.....	53,000,000	40,500,000	65,000,000	20,270,544	56,739,439	60,000,000
Smithsonian Institution.....	7,890,000	39,642,000	8,545,000	5,053,270	7,971,859	9,689,500
Department of Commerce.....	25,540,500	20,482,600	28,780,000	27,021,269	22,832,788	28,366,560
Department of Health, Education, and Welfare.....		2,050,000	3,000,000		2,050,000	3,000,000
Subtotal.....	94,414,423	110,990,893	115,034,450	60,108,829	97,778,418	110,625,364
Deduct receipts of public enterprise funds.....				262,586		
Total, general-purpose research, libraries, and museums (net).....	94,414,423	110,990,893	115,034,450	59,846,243	97,778,418	110,625,364
216. Correctional and penal institutions:						
Department of Justice.....	33,735,000	35,210,000	42,100,000	31,099,537	33,051,380	34,821,000
217. Other welfare services and administration:						
Legislative branch.....	1,006,678	1,067,481	1,125,000	1,194,998	1,055,543	1,111,066
Department of Agriculture.....	83,236,197	100,000,000	100,000,000	82,692,398	99,816,800	100,000,000
Department of Health, Education, and Welfare.....	44,095,800	51,471,000	61,204,000	41,844,886	50,772,757	61,907,721
Total, other welfare services and administration.....	128,338,675	152,538,481	162,329,000	125,732,282	151,645,100	163,018,787
Other labor and welfare programs (proposed legislation).....			8,845,000			5,267,500
Total, labor and welfare (gross).....	2,860,129,482	3,196,000,056	3,798,999,151	2,777,804,447	3,035,023,379	3,541,677,554

SPECIAL ANALYSIS C—Continued
ANALYSIS OF THE BUDGET—Continued

BY FUNCTION AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
LABOR AND WELFARE—Continued						
217. Other welfare services and administration—Continued						
Deduct receipts of public enterprise funds.....				\$2,132,372	\$3,455,262	\$3,821,900
Total, labor and welfare (net).....	\$2,860,129,482	\$3,196,000,056	\$3,798,999,151	2,775,672,075	3,031,568,117	3,537,855,654
Enacted or recommended in this document.....	2,860,129,482	2,913,083,056	3,318,254,151	2,775,672,075	2,750,228,557	3,337,650,714
Proposed for later transmission.....		282,917,000	480,745,000		281,339,560	200,204,940
AGRICULTURE AND AGRICULTURAL RESOURCES						
351. Stabilization of farm prices and farm income:						
Department of Agriculture.....	2,326,612,565	3,688,014,102	3,330,119,282	6,054,459,304	7,051,923,073	6,588,034,170
Deduct receipts of public enterprise funds.....				2,108,547,739	3,619,735,647	3,074,239,940
Total, stabilization of farm prices and farm income (net).....	2,326,612,565	3,688,014,102	3,330,119,282	3,945,911,565	3,432,187,426	3,513,794,230
352. Financing farm ownership and operation:						
Independent offices: Farm Credit Administration.....	9,195,997	2,230,000	2,200,000	1,990,522,964	1,101,156,858	2,710,000
Department of Agriculture.....	236,550,000	270,135,000	300,350,000	278,225,083	354,097,638	352,994,550
Subtotal.....	245,745,997	272,365,000	302,550,000	2,268,748,047	1,455,254,496	355,704,550
Deduct receipts of public enterprise funds.....				2,037,856,535	1,239,754,451	84,613,650
Total, financing farm ownership and operation (net).....	245,745,997	272,365,000	302,550,000	230,891,512	215,500,045	271,090,900
353. Financing rural electrification and rural telephones:						
Department of Agriculture.....	243,140,000	322,600,000	248,629,000	216,782,517	233,541,700	264,558,000
354. Conservation and development of agricultural land and water resources:						
Department of Agriculture.....	299,910,619	561,020,000	640,240,000	305,071,964	578,871,824	635,541,000
355. Research, and other agricultural services:						
Independent offices: Commission on Increased Industrial Use of Agricultural Products.....		150,000			143,000	7,000
Department of Agriculture.....	194,186,011	252,103,421	270,174,817	214,589,277	240,456,012	279,644,002
Total, research, and other agricultural services (net).....	194,186,011	252,253,421	270,174,817	214,589,277	240,599,012	279,651,002
Total, agriculture and agricultural resources (gross).....	3,309,595,192	5,096,252,523	4,791,713,099	9,059,651,109	9,560,190,105	8,123,488,722
Deduct receipts of public enterprise funds.....				4,146,404,274	4,859,490,098	3,158,853,590
Total, agriculture and agricultural resources (net).....	3,309,595,192	5,096,252,523	4,791,713,099	4,913,246,835	4,700,700,007	4,964,635,132
Enacted or recommended in this document.....	3,309,595,192	5,069,488,523	4,766,713,099	4,913,246,835	4,664,128,007	4,928,443,132
Proposed for later transmission.....		26,764,000	25,000,000		36,572,000	36,192,000
NATURAL RESOURCES						
401. Conservation and development of land and water resources:						
Independent offices:						
Federal Power Commission.....	4,932,980	5,270,274	5,955,883	4,981,926	5,202,980	5,865,274
Saint Lawrence Seaway Development Corporation.....			35,000,000	9,450,084	47,975,900	48,605,100
Tennessee Valley Authority.....	27,053,000	5,357,000	44,782,000	236,498,683	261,681,445	309,717,000
Department of Defense—Civil Functions: Department of the Army.....	611,952,117	639,182,500	658,115,000	533,540,624	599,872,299	659,520,680
Department of the Interior.....	265,014,830	298,996,281	345,231,600	268,183,049	290,470,279	331,678,028
Department of State.....	1,710,000	2,904,000	4,117,000	2,676,591	6,966,000	4,875,000
Subtotal.....	910,662,927	951,710,055	1,093,201,483	1,055,330,957	1,212,168,903	1,360,261,082
Deduct receipts of public enterprise funds.....				251,839,496	272,104,330	290,288,582
Total, conservation and development of land and water resources (net).....	910,662,927	951,710,055	1,093,201,483	803,491,461	940,064,573	1,069,972,500

SPECIAL ANALYSIS C—Continued
ANALYSIS OF THE BUDGET—Continued

BY FUNCTION AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
NATURAL RESOURCES—Continued						
402. Conservation and development of forest resources:						
Department of Agriculture.....	\$130,046,075	\$153,296,950	\$173,558,400	\$129,207,177	\$151,319,131	\$172,749,800
Department of the Interior.....	9,058,931	11,961,395	12,807,000	9,059,722	11,962,125	12,807,300
Total, conservation and development of forest resources.....	139,105,006	165,258,345	186,365,400	138,266,899	163,281,256	185,557,100
403. Conservation and development of mineral resources:						
Department of Defense—Civil Functions: Department of the Army.....				25,206	3,000	357
Department of the Interior.....	48,477,935	94,912,443	89,238,500	43,303,738	93,806,523	104,393,543
Subtotal.....	48,477,935	94,912,443	89,238,500	43,328,944	93,809,523	104,393,900
Deduct receipts of public enterprise funds.....				5,023,573	5,739,287	5,543,688
Total, conservation and development of mineral resources (net).....	48,477,935	94,912,443	89,238,500	38,305,371	88,070,236	98,850,212
404. Conservation and development of fish and wildlife:						
Department of Defense—Civil Functions: Department of the Air Force.....	16,343	20,000	22,500	13,910	20,000	21,000
Department of the Interior.....	48,920,922	67,597,428	60,145,750	41,194,590	63,234,657	61,008,170
Department of State.....	455,000	1,265,587	1,654,000	455,614	1,278,500	1,701,880
Subtotal.....	49,392,265	68,883,015	61,822,250	44,664,114	64,533,157	62,731,050
Deduct receipts of public enterprise funds.....					130,000	2,177,000
Total, conservation and development of fish and wildlife (net).....	49,392,265	68,883,015	61,822,250	44,664,114	64,403,157	60,554,050
405. Recreational use of natural resources:						
Independent offices:						
Historical and memorial commissions.....	40,000			4,972	35,028	
National Monument Commission.....			25,000			25,000
Department of the Interior.....	29,404,245	70,418,193	79,805,650	44,191,179	76,293,503	76,011,524
Total, recreational use of natural resources.....	29,444,245	70,418,193	79,830,650	44,196,151	76,328,531	76,036,524
409. General resource surveys and administration:						
Department of the Interior.....	35,890,000	39,927,000	48,745,000	35,428,367	38,830,464	47,377,785
Total, natural resources (gross).....	1,212,972,378	1,391,109,051	1,559,203,283	1,361,215,432	1,648,951,834	1,836,357,441
Deduct receipts of public enterprise funds.....				256,863,069	277,973,617	298,009,270
Total, natural resources (net).....	1,212,972,378	1,391,109,051	1,559,203,283	1,104,352,363	1,370,978,217	1,538,348,171
Enacted or recommended in this document.....	1,212,972,378	1,351,431,051	1,476,203,283	1,104,352,363	1,346,650,617	1,509,697,771
Proposed for later transmission.....		39,678,000	83,000,000		24,327,000	28,650,400
COMMERCE AND HOUSING						
511. Promotion of water transportation:						
Department of Commerce.....	244,170,500	242,910,000	259,095,000	246,907,695	231,963,203	222,274,279
Department of Defense—Civil Functions: Department of the Army.....		1,000,000		104,703,711	89,221,390	83,017,200
Treasury Department.....	195,053,000	204,175,000	230,400,000	188,642,096	212,762,250	221,792,389
Subtotal.....	439,223,500	448,085,000	489,495,000	540,253,502	533,946,843	527,083,868
Deduct receipts of public enterprise funds.....				120,617,809	115,894,389	106,979,325
Total, promotion of water transportation (net).....	439,223,500	448,085,000	489,495,000	419,635,693	418,052,454	420,104,543
512. Provision of highways:						
Department of Commerce.....	2,067,134,942	55,115,058	32,000,000	782,746,734	44,254,504	41,500,000

SPECIAL ANALYSIS C—Continued
ANALYSIS OF THE BUDGET—Continued

BY FUNCTION AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
COMMERCE AND HOUSING—Continued						
513. Promotion of aviation:						
Independent offices: National Advisory Committee for Aeronautics.....	\$72,700,000	\$78,176,500	\$118,284,000	\$71,099,314	\$74,550,000	\$86,500,000
Department of Commerce.....	250,470,138	355,125,136	464,860,000	180,248,572	264,917,463	378,400,059
Subtotal.....	323,170,138	433,301,636	583,144,000	251,347,886	339,467,463	464,900,059
Deduct receipts of public enterprise funds.....						11,000
Total, promotion of aviation (net).....	323,170,138	433,301,636	583,144,000	251,347,886	339,467,463	464,889,059
514. Postal service:						
Post Office Department.....	469,500,000	483,366,500	67,000,000	2,913,389,976	3,015,270,500	3,354,021,000
Deduct receipts of public enterprise funds.....				2,450,310,663	2,555,855,487	3,295,763,000
Postal service (net, general fund).....	469,500,000	483,366,500	67,000,000	463,079,313	459,415,013	58,258,000
515. Community development and facilities:						
General Services Administration.....				5,510		
Housing and Home Finance Agency.....	305,000,000	209,090,000	257,500,000	35,858,244	91,973,629	143,932,450
Department of the Interior.....	12,961,027	4,968,000	6,000,000	12,924,505	11,100,000	7,026,619
Treasury Department.....				804,400		
Subtotal.....	317,961,027	213,968,000	263,500,000	49,592,659	103,073,629	150,959,069
Deduct receipts of public enterprise funds.....				45,736,563	40,050,285	74,435,100
Total, community development and facilities (net).....	317,961,027	213,968,000	263,500,000	3,856,096	63,023,344	76,523,969
516. Public housing programs:						
Independent offices: National Capital Housing Authority.....	38,400	38,000	42,000	40,380	37,410	42,020
Housing and Home Finance Agency.....	97,654,201	103,700,000	112,300,000	347,411,005	590,180,885	473,848,806
Subtotal.....	97,692,601	103,738,000	112,342,000	347,451,385	590,218,295	473,890,826
Deduct receipts of public enterprise funds.....				316,248,755	519,248,155	419,799,328
Total, public housing programs (net).....	97,692,601	103,738,000	112,342,000	31,202,630	70,970,140	54,091,498
517. Other aids to housing:						
Independent offices:						
Federal Home Loan Bank Board.....				5,792,690	6,518,591	8,308,515
Veterans Administration.....	92,997,475	150,000,000		103,092,250	126,591,000	151,651,000
Housing and Home Finance Agency.....	485,241,614	752,767,350	820,156,900	659,619,885	1,394,203,829	1,264,932,900
Department of Agriculture.....	5,000,000	450,000,000		890,900	27,889,300	43,000,000
Subtotal.....	583,239,089	1,352,767,350	820,156,900	769,395,725	1,555,202,720	1,467,592,415
Deduct receipts of public enterprise funds.....				750,646,410	904,655,189	1,160,153,878
Total, other aids to housing (net).....	583,239,089	1,352,767,350	820,156,900	18,749,315	650,547,531	307,738,537
518. Other aids to business:						
Legislative branch.....	1,238,475	1,287,547	1,398,471	1,267,382	1,304,451	1,375,351
Independent offices:						
Alaska International Rail and Highway Commission.....		75,000			35,000	40,000
Atomic Energy Commission.....				453	527	500
Small Business Administration.....	12,128,000	91,900,000	65,500,000	36,269,564	107,750,066	96,968,500
General Services Administration.....		8,000,000		3,241,791	11,222,200	3,183,600
Department of Commerce.....	37,227,000	44,513,400	98,305,000	37,852,110	42,430,892	56,635,980
Department of Defense—Civil Functions.....				7,441,682	5,544,396	4,890,000
Department of the Interior.....	4,100,000			22,385,750	25,000,220	20,020,000
Treasury Department.....				46,669,253	26,690,248	2,416,609
Subtotal.....	54,693,475	145,775,947	165,203,471	155,127,985	219,978,000	185,530,540
Deduct receipts from public enterprise funds.....				238,094,334	153,828,386	80,235,833
Total, other aids to business (net).....	54,693,475	145,775,947	165,203,471	° 82,966,349	66,149,614	105,294,707

° Deduct, excess of repayments and collections over expenditures.

SPECIAL ANALYSIS C—Continued
ANALYSIS OF THE BUDGET—Continued

BY FUNCTION AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
COMMERCE AND HOUSING—Continued						
519. Regulation of commerce and finance:						
Independent offices:						
Federal Communications Commission.....	\$7,323,000	\$7,828,000	\$8,950,000	\$7,563,917	\$7,805,603	\$8,815,772
Federal Trade Commission.....	4,548,500	5,550,000	6,250,000	4,590,077	5,504,369	6,230,000
Interstate Commerce Commission.....	12,896,000	14,879,696	17,500,000	13,038,715	14,814,254	17,368,250
Securities and Exchange Commission.....	5,278,000	5,749,000	7,178,000	5,211,169	5,732,670	7,018,000
Department of Commerce.....	7,226,000	7,589,000	8,785,000	7,385,246	7,548,499	8,717,300
Department of Health, Education, and Welfare.....				1,844,632	2,278,291	2,586,135
Department of Justice.....	3,464,000	3,568,650	3,785,000	3,545,133	3,625,718	3,774,995
Subtotal.....	40,735,500	45,164,346	52,448,000	43,178,889	47,309,404	54,510,452
Deduct receipts of public enterprise funds.....				1,952,748	2,307,683	2,594,491
Total, regulation of commerce and finance (net).....	40,735,500	45,164,346	52,448,000	41,226,141	45,001,721	51,915,961
520. Civil defense:						
Independent offices: Federal Civil Defense Administration.....	68,675,000	93,560,000	180,000,000	57,223,375	75,770,547	100,479,000
Department of Health, Education, and Welfare.....				189,572	4,347	
Treasury Department.....				47,281	51,184	45,000
Subtotal.....	68,675,000	93,560,000	180,000,000	57,460,228	75,826,078	100,524,000
Deduct receipts of public enterprise funds.....				1,778,908	4,718,566	5,756,000
Total, civil defense (net).....	68,675,000	93,560,000	180,000,000	55,681,320	71,107,512	94,768,000
521. Disaster insurance, loans, and relief:						
Funds appropriated to the President.....	28,500,000	6,000,000	10,000,000	15,421,018	16,000,000	16,000,000
Independent offices: Small Business Administration.....	35,000,000	10,000,000	12,000,000	33,002,488	22,675,000	13,099,500
Housing and Home Finance Agency.....		601,000,000	4,000,000		10,775,000	53,825,000
Subtotal.....	63,500,000	617,000,000	26,000,000	48,423,506	49,450,000	82,924,500
Deduct receipts of public enterprise funds.....				5,168,466	8,613,230	9,975,000
Total, disaster insurance, loans, and relief (net).....	63,500,000	617,000,000	26,000,000	43,255,040	40,836,770	72,949,500
Total, commerce and housing (gross).....	4,525,525,272	3,991,841,837	2,791,289,371	5,958,368,475	6,573,997,441	6,903,736,729
Deduct receipts of public enterprise funds.....				3,930,554,656	4,305,171,370	5,155,702,955
Total, commerce and housing (net).....	4,525,525,272	3,991,841,837	2,791,289,371	2,027,813,819	2,268,826,071	1,748,033,774
Enacted or recommended in this document.....	4,525,525,272	3,329,426,837	2,165,289,371	2,027,813,819	2,133,487,770	2,157,978,650
Proposed for later transmission.....		662,415,000	626,000,000		135,338,301	^d 409,944,876
GENERAL GOVERNMENT						
601. Legislative functions: Legislative branch.....	185,327,861	76,468,837	79,956,537	76,774,406	94,536,745	107,015,496
602. Judicial functions:						
Legislative branch.....	25,000	27,500	27,500	24,451	27,084	27,500
The judiciary.....	36,911,488	39,738,335	44,683,120	36,682,791	40,033,867	44,396,920
Independent offices: Indian Claims Commission.....	121,200	133,600	177,700	119,969	133,241	175,210
General Services Administration.....		596,679		1,575,942	1,000,000	233,442
Total, judicial functions.....	37,057,688	40,496,114	44,888,320	38,403,153	41,194,192	44,833,072
603. Executive direction and management:						
Executive Office of the President.....	10,395,275	10,714,975	12,047,870	9,938,236	10,748,875	11,978,508
Funds appropriated to the President.....	1,000,000	1,400,000	5,000,000	325,611	1,174,200	5,030,300
Independent offices:						
Commission on Intergovernmental Relations.....				107,870	829	
Commission on Organization of the Executive Branch of the Government.....				267,068	11	
President's Advisory Committee on Presidential Office Space.....		20,000			19,000	1,000
Treasury Department.....	1,009,166	1,022,200	1,028,200	1,006,050	1,041,903	1,028,000
Total, executive direction and management.....	12,404,441	13,157,175	18,076,070	11,644,835	12,984,818	18,037,808

^d Deduct, includes proposed postal rate increase of \$654 million.

SPECIAL ANALYSIS C—Continued
ANALYSIS OF THE BUDGET—Continued

BY FUNCTION AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
GENERAL GOVERNMENT—Continued						
604. Federal financial management:						
Independent offices:						
General Accounting Office.....	\$33,481,000	\$34,000,000	\$37,800,000	\$33,384,499	\$33,829,191	\$37,620,000
Renegotiation Board.....	4,150,000	3,675,000	3,400,000	3,926,813	3,697,158	3,402,000
The Tax Court of the United States.....	1,257,000	1,365,000	1,460,000	1,270,636	1,362,082	1,459,900
Treasury Department.....	430,780,766	438,776,038	475,918,000	436,749,187	438,949,444	476,901,578
Subtotal.....	469,668,766	477,816,038	518,578,000	475,331,135	477,837,875	519,383,478
Deduct receipts of public enterprise funds.....				158,149	150,000	160,000
Total, Federal financial management (net).....	469,668,766	477,816,038	518,578,000	475,172,986	477,687,875	519,223,478
605. General property and records management:						
Independent offices: Central Intelligence Agency.....	5,500,000	49,000,000		10,147	3,666,600	4,000,000
General Services Administration.....	186,534,000	250,777,600	316,589,000	164,446,865	245,186,298	303,498,128
Subtotal.....	192,034,000	299,777,600	316,589,000	164,457,012	248,852,898	307,498,128
Deduct receipts of public enterprise funds.....				621,826	542,000	543,000
Total, general property and records management (net).....	192,034,000	299,777,600	316,589,000	163,835,186	248,310,898	306,955,128
606. Central personnel management and employment costs:						
Independent offices: Civil Service Commission.....	252,558,269	544,831,500	22,417,000	252,753,175	545,866,415	22,160,334
Department of Labor.....	84,486,409	77,347,000	85,188,000	81,425,565	80,875,045	82,158,965
Total, central personnel management and employment costs.....	337,044,678	622,178,500	107,605,000	334,178,740	626,741,460	104,319,299
607. Civilian weather services:						
Independent offices: Advisory Committee on Weather Control.....	275,000	323,727	310,000	220,826	325,000	310,000
Department of Commerce.....	41,650,000	37,900,000	40,500,000	33,855,210	38,341,630	39,998,000
Total, civilian weather services.....	41,925,000	38,223,727	40,810,000	34,076,036	38,666,630	40,308,000
608. Protective services and alien control:						
Independent offices:						
Civil Service Commission.....	469,716	487,500	507,000	470,675	485,382	505,000
Commission on Government Security.....	250,000	632,500		90,384	541,883	100,000
Subversive Activities Control Board.....	298,600	350,000	395,000	285,715	343,876	390,000
Housing and Home Finance Agency.....				3,840		
Department of Justice.....	173,873,000	177,465,000	188,770,000	181,308,654	177,560,517	187,382,671
Treasury Department.....	6,284,000	6,790,000	7,364,000	6,233,716	6,747,702	7,304,600
Total, protective services and alien control.....	181,175,316	185,725,000	197,036,000	188,442,984	185,679,360	195,682,271
609. Territories and possessions, and the District of Columbia:						
Independent offices:						
District of Columbia Auditorium Commission.....		150,000			150,000	
National Capital Planning Commission.....	649,700	1,695,046	5,915,118	439,806	2,058,769	6,605,118
Department of Defense—Civil Functions: Department of the Army.....	16,748,000	15,519,000	25,483,000	15,675,774	17,406,994	23,195,500
Department of the Interior.....	12,913,836	10,653,000	10,122,000	15,512,126	13,982,165	12,861,100
Treasury Department.....	18,132,272	20,050,000	20,050,000	18,071,768	20,058,700	20,050,000
District of Columbia.....	29,592,700	33,258,650	42,315,450	22,192,700	26,758,650	42,504,450
Subtotal.....	78,036,508	81,325,696	103,885,568	71,892,174	80,415,278	105,216,168
Deduct receipts of public enterprise funds.....				2,727,939	2,694,314	2,630,498
Total, Territories and possessions, and the District of Columbia (net).....	78,036,508	81,325,696	103,885,568	69,164,235	77,720,964	102,585,670
610. Other general government:						
Legislative branch.....	2,937,270	2,990,400	3,181,900	2,178,600	3,670,275	2,505,900
Funds appropriated to the President.....				68		

* Deduct, excess of repayments and collections over expenditures.

SPECIAL ANALYSIS C—Continued
ANALYSIS OF THE BUDGET—Continued

BY FUNCTION AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
GENERAL GOVERNMENT—Continued						
610. Other general government—Continued						
Independent offices:						
Foreign Claims Settlement Commission.....	\$12,600,000	\$700,000	\$635,000	\$9,406,765	\$692,692	\$630,000
Historical and memorial commissions.....	420,000	578,500	147,000	231,249	601,713	273,500
Permanent Committee for the Oliver Wendell Holmes Devise.....	434,812	14,700	14,000	1,310	20,000	63,380
Department of Defense—Civil Functions: Department of the Army.....	28,000,000			1,744,047	21,000,000	2,000,000
Department of the Interior.....	193,475	819,000	185,500	191,698	1,309,772	250,000
Treasury Department: Claims, judgments, and private relief acts.....	15,535,668	10,647,904	6,651,620	228,268,176	39,061,018	6,651,620
Total, other general government.....	60,121,225	15,750,504	10,815,020	237,664,713	66,355,470	12,374,400
Total, general government (gross).....	1,594,795,483	1,850,919,191	1,438,239,515	1,632,865,188	1,873,264,726	1,454,668,120
Deduct receipts of public enterprise funds.....				3,507,914	3,386,314	3,333,498
Total, general government (net).....	1,594,795,483	1,850,919,191	1,438,239,515	1,629,357,274	1,869,878,412	1,451,334,622
Enacted or recommended in this document.....	1,594,795,483	1,825,611,991	1,430,404,515	1,629,357,274	1,850,214,712	1,440,691,122
Proposed for later transmission.....		25,307,200	7,835,000		19,663,700	10,643,500
INTEREST						
651. Interest on the public debt:						
Treasury Department.....	6,786,598,863	7,200,000,000	7,300,000,000	6,786,598,863	7,200,000,000	7,300,000,000
652. Interest on refunds of receipts:						
General Services Administration.....	100,000			3,096	85,000	55,000
Treasury Department.....	53,746,794	53,815,000	53,845,000	53,746,794	53,815,000	53,845,000
Total, interest on refunds of receipts.....	53,846,794	53,815,000	53,845,000	53,749,890	53,900,000	53,900,000
653. Interest on uninvested funds:						
Treasury Department.....	5,869,993	5,930,109	6,231,089	5,869,993	5,930,109	6,231,089
Total, interest.....	6,846,315,650	7,259,745,109	7,360,076,089	6,846,218,746	7,259,830,109	7,360,131,089
Allowance for contingencies.....		250,000,000	500,000,000		200,000,000	400,000,000
Total, new obligational authority and expenditures (gross).....	63,198,268,684	70,523,711,072	73,341,211,414	75,436,175,544	79,127,191,921	81,203,204,051
Deduct receipts of public enterprise funds.....				8,896,399,360	10,226,972,134	9,396,437,974
Total, new obligational authority and expenditures (net).....	63,198,268,684	70,523,711,072	73,341,211,414	66,539,776,184	68,900,219,787	71,806,766,077
Enacted or recommended in this document.....	63,198,268,684	68,952,180,372	64,740,731,414	66,539,776,184	67,970,239,626	69,962,588,613
Proposed for later transmission.....		1,571,530,700	8,600,480,000		929,980,161	1,844,177,464

SPECIAL ANALYSIS D

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES

INTRODUCTION

This special analysis classifies Government expenditures according to those which yield benefits beyond the current fiscal year and those which in the main yield benefits within the year the expenditure is made. It is designed to contribute to a general understanding of total budget expenditures and of budgetary problems.

Expenditures of an investment type, that is, those yielding benefits over a period of years, are shown in two major categories—the first for the acquisition of assets by the Federal Government and the second for other broad developmental purposes. Examples of the latter are additions to State, local, and private assets and expenditures for research, education, and health, which contribute to the physical productivity of the economy or help increase the technical skills and knowledge of individuals.

Expenditures which yield benefits currently are also grouped in two major categories—the first for aids and services to special groups and the second for current operating expenses.

Comparison with a capital budget.—This analysis is not intended to be a capital budget. A capital budget as prepared by some foreign governments and some State and local governments usually provides separate financing for major capital outlays. The capital outlays may be entirely excluded from the current budgets of these governments or they may be amortized over a period of years by annual charges to the budget. In the Federal budget, however, investment items are shown in the same way as expenditures for other purposes and hence are included in arriving at the budget surplus or deficit.

A capital budget would also require computing and recording annually an allowance for depreciation and obsolescence on existing physical assets, an allowance for anticipated losses on loan programs, a recognition of assets received as gifts or donated to others, and the profits or losses on sales of assets at a figure different from their book value. This analysis makes no provision for depreciation or other changes in assets. Hence, it does not indicate the extent to which annual new investment in a given year is offset by changes in existing assets.

On the basis of usual private accounting practices, investment expenditures would consist of the increases in claims or assets owned by the Federal Government. In this analysis, the category identified as additions to Federal assets is narrower—being limited to major outlays, such as public works construction and military aircraft and ships. This analysis adopts a broader concept of developmental outlays than is generally employed in private accounting practice for capital items, since Federal expenditures are viewed here in terms of their effect on the economy as a whole.

Recoverability of certain types of expenditures.—A part of Federal expenditures for loans, for investment in commodity inventories, and for construction of powerplants is ultimately returned to the Treasury. However, Federal expenditures for most other investment-type programs are not generally expected to be recovered by specific revenues. Developmental expenditures usually increase the wealth and income of the Nation and often indirectly expand Federal tax revenues over a long period of years. Expenditures for some of these Government programs are also financed by the appropriation of part or all of the receipts which are collected from fees and charges imposed for services, products, and the use of property related to the programs.

This analysis presents expenditures of public enterprise funds on a gross as well as a net basis in order to indicate the full scope of their operations. The receipt totals indicated in the tables are limited to those which are deposited in the revolving funds of such enterprises. Receipts paid directly to the Treasury are excluded from this analysis.

Significant subcategories.—This analysis shows separately the expenditures for major national security (as defined in special analysis C) and civil programs (all other functions). Since major national security expenditures represent a large proportion of total budget outlays, such a distinction helps in appraising the significance of outlays within each of the major categories of this analysis. For example, military expenditures for fixed assets and other developmental purposes are not usually intended to achieve the same objectives as civil outlays for assets.

Separate subcategories are also shown for expenditures for direct Federal programs and for grants-in-aid or loans to State and local governments. Special analysis H gives details on Federal aid to State and local governments and contains a table summarizing these aids according to the major categories of this analysis.

SUMMARY

Table 1 summarizes expenditures according to the major categories of special analysis D, showing gross and net expenditures, and applicable receipts, for both the major national security and the civil programs. About \$25 billion of estimated net budget expenditures for 1958 represent outlays for the acquisition and improvement of assets and for other development purposes, compared to \$22.8 billion for 1957. Current expenses for aids, services, and operations are estimated at \$46.4 billion, net, for 1958, compared to \$45.9 billion for 1957.

ADDITIONS TO FEDERAL ASSETS

Expenditures in this category represent direct investment by the Federal Government in loans and federally owned physical assets. Net expenditures for such additions to assets are estimated to total \$20.3 billion in 1958 compared to \$18.7 billion in 1957. Over four-fifths of total net expenditures in this category are for major national security programs, mostly for military equipment.

Loans.—Direct loans by Federal agencies consist primarily of loans to farmers and homeowners, to public and private agencies serving these two groups, and to private businesses and foreign governments. Most loan programs operate on a revolving basis. However, the Rural Electrification Administration and the Farmers' Home Administration and a few other loan programs are by law on a nonrevolving basis, with collections on outstanding loans going directly to miscellaneous receipts of the Treasury. In this analysis, loans made through revolving funds are shown on both a gross and a net basis, since net expenditures for loans reflect only a fraction of total Government lending activity.

In 1958, gross disbursements for loans are estimated to decrease by \$1.5 billion from 1957. Collections, acquisition of collateral, and other receipts from loans are estimated to decrease by \$1.6 billion. These decreases are caused primarily by the fact that, beginning January 1, 1957, the operations of the Federal intermediate credit banks in the Farm Credit Administration are being carried as trust fund transactions and, hence, excluded from the budget totals. Net budget expenditures for loans in 1958 are estimated to be \$1,444 million compared to \$1,356 million in 1957.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

TABLE 1.—Summary of investment, operating, and other budget expenditures

(In millions)

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Additions to Federal assets:									
Civil.....	\$11,141	\$7,493	\$3,648	\$11,364	\$8,220	\$3,145	\$9,701	\$6,125	\$3,576
Major national security.....	16,196	182	16,015	15,882	313	15,569	16,975	251	16,724
Expenditures for other developmental purposes:									
Civil.....	1,997	(¹)	1,997	1,831	(¹)	1,831	2,342	(¹)	2,342
Major national security.....	2,023		2,023	2,214		2,214	2,403		2,403
Current expenses for aids and special services:									
Civil.....	11,784	732	11,052	13,722	822	12,899	14,181	1,594	12,588
Major national security.....	2,714	22	2,693	2,656	20	2,636	2,650	4	2,646
Other services and current operating expenses:									
Interest.....	6,846		6,846	7,260		7,260	7,360		7,360
Other civil.....	5,107	2,753	2,354	5,455	2,855	2,600	5,174	2,969	2,206
Major national security.....	19,911	(¹)	19,911	20,551	5	20,546	21,592	31	21,561
Allowance for contingencies.....			200	200		200	400		400
Deduct: Commodity Credit Corporation, collateral acquired ²	2,287	2,287		2,008	2,008		1,579	1,579	
Total.....	75,436	8,896	66,540	79,127	10,227	68,900	81,203	9,396	71,807

¹ Less than one-half million.² Noncash transactions, included above in gross expenditures for commodity inventories, and in the applicable receipts which are applied to loans.

Net expenditures for loans to domestic private borrowers in 1958 are estimated to be \$690 million greater than in 1957 resulting in part from an anticipated decrease in repayments to the Commodity Credit Corporation as a result of lower price support operations. An analysis of major credit programs of the Federal Government is contained in special analysis F.

Public works—sites and direct construction.—This category includes all Federal expenditures for sites and for civil public works projects, military installations, and other national security facilities which are owned by the Federal Government, including those outside the continental United States. A summary of these and related programs is given in special analysis G.

Total estimated expenditures for direct Federal public works of \$4 billion in 1958 are \$512 million above the amount estimated for 1957. About three-fifths of these expenditures for 1958 will be direct public works for major national security programs. Expenditures for construction of military and atomic energy facilities are estimated to rise by \$274 million from 1957 to 1958. Civil public works expenditures, mainly for water resources and related developments, are estimated at \$1.4 billion in 1958 compared to \$1.2 billion in 1957.

Major commodity inventories.—Gross purchases of commodities held for resale or in stockpiles are expected to total \$3.1 billion in 1958, exceeding sales by \$844 million. The figure for total purchases includes transportation costs, administrative expenses, and storage costs where these are normally included in costs of goods sold.

Net expenditures for stockpiling strategic and critical materials (other than fissionable materials) are estimated at \$308 million in 1958. Net additions to the inventory of farm commodities held by the Commodity Credit Corporation under its farm price-support program are expected to entail expenditures of \$396 million in 1958.

Major equipment.—Expenditures for major equipment are estimated at \$12.5 billion in 1958, compared to \$11.8 billion in 1957. These expenditures represent, predominantly, purchases of aircraft, guided missiles, ships, tanks, and other major national security equipment. Purchases

of office equipment, furniture and fixtures, automobiles, and similar items are not classified in this subcategory but are treated as current operating expenses.

Other physical assets—acquisition and improvement.—Expenditures for other physical assets consist mainly of procurement of source materials and production of special nuclear materials and weapons by the Atomic Energy Commission. This subcategory includes reforestation and range improvements and real property purchased or acquired as collateral on defaulted loans.

Payments of principal under lease-purchase agreements to acquire public buildings are also included in this grouping. Interest payments under these agreements, however, are shown under operation and administration of other civil activities.

EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES

The category of other developmental purposes includes Federal expenditures which add to the productivity of the economy over a period of years but which do not directly add to Federal physical and financial assets. Programs which yield the bulk of their benefits immediately are excluded, even though they may also contribute to the longer run economic development of the Nation.

Expenditures for military research and development account for about one-half of the total expenditures in this category in 1958. Higher grants to the States for construction of schools, mainly under proposed legislation, are responsible for most of the increase over 1957.

State and local physical assets.—In 1958 the Federal Government will spend an estimated \$511 million for additions to physical assets of State and local governments, mainly through grants-in-aid. These outlays are estimated to be \$311 million higher than in the preceding year, primarily as a result of the proposed program of general school-construction assistance. Beginning in 1957, expenditures under the Federal-aid highway program are no longer included in budget expenditures but are made from a separately financed trust fund.

Private physical assets.—Federal expenditures which directly add to privately owned physical assets consists re-

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

TABLE 2.—Additions to Federal assets

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Loans:									
Civil.....	\$6,905	\$5,803	\$1,101	\$6,979	\$5,526	\$1,453	\$5,488	\$3,979	\$1,509
Major national security.....	61	43	18	29	125	• 96	19	85	• 66
Public works—sites and direct construction:									
Civil.....	872	5	867	1,184	2	1,183	1,427	6	1,421
Major national security.....	2,319		2,319	2,282		2,282	2,556		2,556
Major commodity inventories—net change:									
Civil.....	3,228	1,630	1,598	3,043	2,646	397	2,555	2,084	471
Major national security.....	583	132	451	636	179	457	535	162	373
Major equipment:									
Civil.....	20		20	53		53	115		115
Major national security.....	12,235	7	12,229	11,783	9	11,774	12,350	4	12,346
Other physical assets—acquisition and improvement:									
Civil.....	118	55	62	106	45	61	116	56	60
Major national security.....	998	(1)	998	1,152		1,152	1,515		1,515
Total additions to Federal assets.....	27,339	7,676	19,663	27,247	8,532	18,715	26,676	6,376	20,300

• Deduct, excess of repayments and collections over expenditures.

1 Less than one-half million.

dominantly of (1) payments and technical assistance for conservation and improvement of private farms, including payments under the soil bank to share the cost of conservation practices, (2) grants to States for the building of private hospitals and other health facilities, and (3) construction subsidies for merchant ships. Expenditures in this category are estimated at \$630 million in 1957 and \$716 million in 1958.

Education, training, and health.—An estimated \$568 million of net budget expenditures in 1958 will be for education, training, and health. These programs are developmental in that they are intended to foster the knowledge, skills, longevity, and physical vigor of the population. Most of these programs are conducted through grants to State and local governments. Included here are school-operating aid to school districts especially affected by activities of the Federal Government, and grants to States for programs of vocational education, vocational rehabilitation, maternal and child welfare, public health, and agricultural extension work. Closely related are several major items classified in other categories—principally the veterans' education program, which is classified as aids and special services for veterans; the operating expenses of hospital services and medical care programs; and the training of military and civilian personnel in Government service.

Research and development.—The Federal Government also contributes to technological and economic progress through the conduct of varied programs of research and development. Net expenditures for programs classified under this heading in 1958 are estimated at \$2.9 billion, \$246 million above 1957. Over four-fifths of this total for 1958 is part of the major national security program, including the work of the Department of Defense and the Atomic Energy Commission.

Larger amounts from appropriations for military procurement and public works also contribute to research and development, testing, and evaluation. However, such expenditures are classified under additions to Federal assets. The definition of research and development, in this analysis, is that used in special analysis I. Expendi-

tures for routine testing, mapping, and surveys, experimental production, information activities and training programs are generally excluded.

Engineering and natural resource surveys.—An estimated \$74 million of net budget expenditures in 1958 will be for investigations and surveys for public works programs, topographic mapping, land classification, forest investigations, and other basic surveys. The largest programs of this type are administered by the Geological Survey, the Bureau of Reclamation, the Coast and Geodetic Survey, and the Corps of Engineers.

CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES

The preceding categories include investment-type expenditures which provide substantial benefits to various economic groups, such as loans, public works, and research programs. This category contains the administrative and other operating expenses (and operating receipts) for such investment-type programs, as well as the maintenance costs of any physical assets and the other current expenditures which primarily provide aids or special services to one or more specific economic groups.

TABLE 3.—Expenditures for other developmental purposes

[In millions]

	1956 actual	1957 estimate	1958 estimate
Gross expenditures:			
State and local physical assets.....	\$899	\$200	\$511
Private physical assets.....	332	630	716
Education, training, and health:			
Civil.....	409	512	557
Major national security.....	2	6	11
Research and development:			
Civil.....	305	423	484
Major national security.....	2,021	2,208	2,392
Engineering and natural resources surveys.....	52	66	74
Total.....	4,021	4,045	4,746
Deduct applicable receipts.....	(1)	(1)	(1)
Net expenditures for other developmental purposes.....	4,020	4,045	4,746

1 Less than one-half million.

SPECIAL ANALYSIS D—Continued
INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

TABLE 4.—*Current expenses for aids and special services*

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Agriculture.....	\$1,942	\$96	\$1,846	\$3,746	\$151	\$3,595	\$3,422	\$252	\$3,170
Business:									
Civil.....	1,115	122	992	1,139	143	995	1,364	760	604
Major national security.....	95	22	74	42	20	22	47	4	43
Labor.....	412		412	313		313	327		327
Homeowners and tenants.....	268	358	* 89	298	357	* 60	329	387	* 57
Veterans.....	4,740	67	4,673	4,809	74	4,735	4,992	81	4,911
International:									
Civil.....	1,667	89	1,578	1,614	97	1,517	1,780	114	1,666
Major national security.....	2,619		2,619	2,614		2,614	2,603		2,603
Other aids and special services.....	1,640		1,640	1,804		1,804	1,967		1,967
Total current expenses for aids and special services.....	14,499	754	13,745	16,379	843	15,536	16,832	1,599	15,233

* Deduct, excess of repayments and collections over expenditures.

Several of these groups also receive benefits from special Federal tax provisions and other nonexpenditure aids, which are not included in this analysis. Approximately 83 percent of expenditures for aids and special services are for civil programs, which are estimated at \$12.6 billion, net, for 1958, compared to \$12.9 billion in 1957.

Agriculture.—Current expenses predominantly for the benefit of farmers consist chiefly of losses realized on the price-support program, the soil bank program except for conservation practice payments, expenses of the International Wheat Agreement, Sugar Act payments, expenditures for removal of surplus commodities, and administrative expenses of loan programs and other aids to farmers. Current expenses for programs in this category are estimated at \$3.6 billion, net, in 1957 and \$3.2 billion in 1958, reflecting in part the shift on January 1, 1957, of the transactions of the Federal intermediate credit banks from budget expenditures to trust fund expenditures.

Other major expenditures benefiting farmers which are classified elsewhere in this analysis are provided through loans, conservation payments, and construction of reclamation and other water development projects. Farmers also benefit indirectly from the school lunch, international, and other programs which are designed primarily for other purposes.

Business.—The major types of current Federal expenditures primarily benefiting private business are the Government payment to the Post Office to cover the losses arising from the operation of the postal service; maritime operating subsidies and navigation aids to the shipping industry; and various aids to air navigation. Largely as a result of the proposed adjustment in postal rates, net expenditures for these purposes in 1958 are expected to decline to \$647 million, \$371 million below 1957.

Labor.—The largest current Federal expenditure benefiting labor is for the Federal-State program of unemployment insurance and public employment offices, in which the United States Department of Labor makes grants to the States to cover the full cost of administering these services. This program also benefits employers by recruiting workers to fill job vacancies. Also in this category are the mine safety work of the Bureau of Mines

and some administrative expenses of the Department of Labor. These expenditures for 1958 total \$327 million, compared to \$313 million in 1957.

Homeowners and tenants.—Since loans and mortgage purchases for the benefit of homeowners and tenants are classified in this analysis as investment-type expenditures, current expenditures consist chiefly of (1) grants to local authorities to cover deficits from low-rent public housing projects and the capital losses of slum clearance and urban renewal projects and (2) the operating expense of the management and liquidation functions of the Federal National Mortgage Association. Receipts from the insurance of mortgages and saving and loan share accounts and the earnings from holdings of mortgages and other housing loans exceed current gross expenditures for housing in all 3 years shown in this budget.

Veterans.—Current expenditures for aids to veterans in 1958 are estimated at \$4.9 billion, \$176 million above 1957. Compensation and pension benefits account for more than half of the estimated 1958 total in this subcategory. Compensation payments are made for disabilities or deaths resulting from service. Pensions are paid in non-service-connected cases.

Other important current aids to veterans are hospital and medical care for veterans of all wars, and readjustment benefits for those who served in World War II or the Korean conflict. Included are outlays for education and training of veterans who enroll in schools and colleges, or vocational training on the job or farm; losses and administration under the loan-guaranty programs; and veterans' unemployment allowances.

International.—In 1958, \$2.6 billion or more than three-fifths of total expenditures in this subcategory are for the military part of the mutual security program. These expenditures will furnish military equipment and training to friendly nations. Nonmilitary parts of the mutual security expenditures are primarily to help cooperating countries to develop their economies and to meet the burdens of maintaining military strength.

Other aids and special services.—Many other Federal programs involve current expenditures for aids and special services for more than one of the above groups or for other groups. The bulk of the expenditures consists

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

of grants to help provide public assistance to those in need, including the aged, the blind, the permanently and totally disabled, and dependent children. Other major programs include grants to States to help finance low-priced school lunches, hospital operation and medical care by the Public Health Service, and various aids to Indians. These expenditures are expected to total \$1.8 billion in 1957 and \$2 billion in 1958.

OTHER SERVICES AND CURRENT OPERATING EXPENSES

All other Government expenditures are included in this major category. In the main, the activities are the basic Government operations of maintaining a military establishment, conducting foreign affairs, making and enforcing laws, collecting taxes, managing and paying interest on the public debt, and operating the postal service.

Current expenditures for major national security, mostly for operation and maintenance of military facilities and for pay and subsistence of military personnel, dominate this category. The largest component of civil expenditures is for interest.

Repair, maintenance, and operation of physical assets.—Expenditures to repair, maintain, and operate physical assets are chiefly for atomic energy facilities; military structures, equipment, and facilities; and general-purpose public buildings. They are also for operating such other public assets as flood-control reservoirs, irrigation works, power facilities, public lands, and national forests.

Net expenditures for civil repair, maintenance, and operation are estimated at \$283 million in 1957, and \$290 million in 1958. Outlays for the operation and maintenance of structures, equipment, and facilities for major national security programs are estimated at \$9.6 billion, an increase of \$492 million from 1957.

Regulation and control.—Most of the major departments and agencies and many smaller agencies have regulatory or law-enforcement responsibilities. These include the normal law-enforcement activities of the Department of Justice, the Treasury, and the judiciary, as well as the operations of the independent regulatory agencies. Ex-

penditures for regulation and control are estimated to total \$528 million in 1958 compared to \$487 million in 1957.

Operation and maintenance of the postal system.—Since the postal deficit is included in other categories of this analysis (predominantly under current expenses for aids and special services), this category includes the remaining gross expenditures and the receipts of the Post Office, which are equal in magnitude and thus cancel on a net basis. Gross expenditures and receipts in this subcategory for 1958 are estimated at \$2.6 billion.

Operation and administration of other civil activities.—All other governmentwide or multiple-purpose expenditures for civil programs are estimated to decrease from \$1.8 billion in 1957 to \$1.4 billion in 1958. These cover expenditures for the legislative branch and the conduct of foreign affairs; tax collection, public debt administration, and other financing activities; central procurement, record-keeping, and various other direct Federal programs not elsewhere classified. The major decrease in this subcategory from expenditures in 1957 occurs because, under a new law effective at the beginning of 1958, individual Government programs will separately bear their respective shares of the Government's payment to the civil service retirement fund. In 1957 and prior years, the Government made a lump-sum payment which was classified entirely in this subcategory.

Other major national security operation and administration.—These expenditures are estimated to rise from \$11.4 billion in 1957 to \$11.9 billion in 1958. They represent predominantly pay and subsistence for military personnel together with smaller but substantial expenditures for civilian components, industrial mobilization, and various departmentwide activities of the Department of Defense.

Interest.—These expenditures include interest on the public debt and smaller amounts of interest on refunds of receipts and on uninvested funds. Principally because of the higher interest rates on new securities issued to refunding maturing obligations, expenditures for interest are estimated to rise \$100 million from 1957 to 1958.

TABLE 5.—Other services and current operating expenses

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Repair, maintenance, and operation of physical assets:									
Civil.....	\$591	\$301	\$291	\$604	\$321	\$283	\$623	\$333	\$290
Major national security.....	8,560		8,560	9,141	4	9,137	9,659	30	9,629
Regulation and control.....	476	2	474	489	2	487	530	3	528
Operation and maintenance of the postal system (excluding the postal deficit).....	2,409	2,409		2,488	2,488		2,587	2,587	
Operation and administration of other civil activities.....	1,631	41	1,589	1,874	44	1,830	1,434	46	1,388
Other major national security operation and administration.....	11,351	(¹)	11,351	11,410	1	11,409	11,933	1	11,932
Interest.....	6,846		6,846	7,260		7,260	7,360		7,360
Total other services and current operating expenses.....	31,865	2,754	29,111	33,265	2,860	30,405	34,127	3,000	31,127

¹ Less than one-half million.

SPECIAL ANALYSIS D—Continued
INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
ADDITIONS TO FEDERAL ASSETS									
Loans:									
Civil:									
To domestic private borrowers:									
Farm Credit Administration ¹	\$1,965	\$1,923	\$42	\$956	\$1,129	^a \$173	\$1	\$3	^a \$2
Small Business Administration.....	62	11	51	118	21	97	95	39	56
Veterans Administration.....	94	31	63	116	33	83	139	36	103
Housing and Home Finance Agency:									
Federal National Mortgage Association.....	86	173	^a 87	80	200	^a 120	194	213	^a 19
College housing loans.....	16	1	15	42	1	41	72	1	71
Federal Housing Administration.....	45	12	33	48	13	35	41	15	26
Other.....		9	^a 9	11	11		25	22	3
Department of Agriculture:									
Commodity Credit Corporation:									
Price support and grain storage loans.....	2,799	2,754	45	2,581	2,878	^a 297	2,325	2,329	^a 4
Certificates of interest transactions.....	538		538						
Farmers' Home Administration.....	247	82	165	327	85	242	359	70	289
Rural Electrification Administration.....	209		209	225		225	255		255
Department of the Interior.....	2	3	^a 1	13	3	10	5	5	
Treasury Department:									
Federal Facilities Corporation.....		11	^a 11		(b)	(b)		(b)	(b)
Reconstruction Finance Corporation.....	2	123	^a 121	10	63	^a 53	1	10	^a 9
Civil defense loans.....	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Other agencies.....	7	3	4	3	4	^a 1	11	5	6
Total to domestic private borrowers, civil.....	6,072	5,136	936	4,528	4,443	85	3,523	2,748	775
To State and local governments:									
For public works:									
Housing and Home Finance Agency:									
Public housing.....	237	239	^a 2	466	451	15	329	329	
Other.....	17	2	15	48	2	46	99	2	97
Department of the Interior.....	6		6	6		6	14		14
Loans to the District of Columbia government.....	2		2	4		4	17		17
Other agencies.....	5		5	5		5	4		4
For other than public works:									
Federal Civil Defense Administration.....	1	1		4	4		6	5	1
Housing and Home Finance Agency: Urban renewal fund.....	20	17	3	43	35	8	64	69	^a 5
Total to State and local governments, civil.....	289	260	29	577	493	84	532	406	126
To foreign borrowers:									
Funds appropriated to the President: Other mutual security programs.....	72		72	92		92	198		108
Export-Import Bank of Washington.....	185	215	^a 30	741	288	453	622	319	303
Treasury: International Finance Corporation.....				35		35			
Total to foreign borrowers, civil.....	257	215	42	868	288	581	730	319	410
To quasi-public institutions:									
Housing and Home Finance Agency: Federal National Mortgage Association: Investment in secondary market operations fund.....	286	192	94	1,005	300	705	703	500	203
Other.....					3	^a 3		5	^a 5
Total loans, civil.....	6,905	5,803	1,101	6,979	5,526	1,453	5,488	3,979	1,509
Major national security:									
To domestic private borrowers: Funds appropriated to the President: Expansion of defense production.....	40	37	3	10	125	^a 115	3	80	^a 77
To foreign borrowers: Funds appropriated to the President:									
Expansion of defense production.....	14	6	8	9	(b)	9	1	5	^a 4
Mutual security: Military assistance.....	7		7	10		10	15		15
Total to foreign borrowers, major national security.....	21	6	15	19	(b)	19	16	5	11
Total loans, major national security.....	61	43	18	29	125	^a 96	19	85	^a 66
Total loans.....	6,966	5,846	1,120	7,008	5,651	1,356	5,507	4,063	1,444

^a Deduct, excess of repayments and collections over expenditures.

^b Less than one-half million dollars.

¹ Beginning Jan. 1, 1957, the transactions of the Federal intermediate credit banks are being carried as trust fund expenditures and are excluded from budget expenditures.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation—Continued

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross ex- penditures	Applicable receipts	Net ex- penditures	Gross ex- penditures	Applicable receipts	Net ex- penditures	Gross ex- penditures	Applicable receipts	Net ex- penditures
ADDITIONS TO FEDERAL ASSETS—Continued									
Public works—sites and direct construction:									
Civil:									
Research and development plant:									
National Advisory Committee for Aeronautics.....	\$13		\$13	\$12		\$12	\$14		\$14
Department of Agriculture.....	5		5	3		3	12		12
Other.....	4		4	12		12	9		9
Total research and development plant.....	22		22	27		27	34		34
Other than research and development plant:									
Legislative branch: Architect of the Capitol and Botanic Garden.....	7		7	25		25	34		34
Federal Civil Defense Administration.....							1		1
Saint Lawrence Seaway Development Corporation.....	9		9	48		48	48		48
Tennessee Valley Authority.....	67	\$5	62	90	\$2	89	129	\$6	123
United States Information Agency.....	(b)		(b)	1		1	2		2
Veterans Administration.....	26		26	46		46	37		37
General Services Administration.....	13		13	36		36	77		77
Department of Agriculture.....	38		38	58		58	72		72
Department of Commerce.....	52		52	86		86	134		134
Department of Defense—Civil Functions:									
Rivers and harbors and flood control.....	406		406	456		456	516		516
Other.....	5		5	13		13	17		17
Department of Health, Education, and Welfare.....	8		8	15		15	19		19
Department of the Interior:									
Bureau of Reclamation.....	124		124	132		132	150		150
Other.....	82		82	118		118	118		118
Department of State.....	4		4	17		17	28		28
Other agencies.....	8		8	15		15	12		12
Total other than research and development plant.....	850	5	845	1,157	2	1,155	1,393	6	1,387
Total public works, civil.....	872	5	867	1,184	2	1,183	1,427	6	1,421
Major national security:									
Research and development plant:									
Atomic Energy Commission.....	35		35	83		83	114		114
Department of Defense—Military Functions: Military public works.....	120		120	177		177	228		228
Total research and development plant.....	155		155	260		260	342		342
Other than research and development plant:									
Funds appropriated to the President: Expansion of defense production.....	24		24	8		8			
Atomic Energy Commission.....	208		208	153		153	119		119
Department of Defense—Military Functions:									
Military public works (excluding infrastructure).....	1,873		1,873	1,772		1,772	1,996		1,996
Reserve components.....	59		59	88		88	99		99
Departmentwide activities.....	(b)		(b)	(b)		(b)	1		1
Total other than research and development plant.....	2,164		2,164	2,021		2,021	2,214		2,214
Total public works, major national security.....	2,319		2,319	2,282		2,282	2,556		2,556
Total public works—sites and direct construc- tion.....	3,191	5	3,186	3,466	2	3,465	3,984	6	3,977
Major commodity inventories:									
Civil:									
Federal Civil Defense Administration: Emergency sup- plies and equipment.....	32		32	32		32	32		32
Department of Agriculture: Commodity Credit Corpo- ration: Agricultural commodities.....	3,157	1,580	1,577	2,950	2,625	325	2,478	2,082	396
Department of the Interior.....				38		38	44		44
Treasury Department: Federal Facilities Corporation.....	39	46	7	15	20	5			
Other agencies.....		4	4	8	1	7		2	2
Total major commodity inventories, civil.....	3,228	1,630	1,598	3,043	2,646	397	2,555	2,084	471

• Deduct, excess of repayments and collections over expenditures.

b Less than one-half million dollars.

SPECIAL ANALYSIS D—Continued
INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation—Continued

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
ADDITIONS TO FEDERAL ASSETS—Continued									
Major commodity inventories—Continued									
Major national security:									
Funds appropriated to the President: Expansion of defense production.....	\$265	\$132	\$133	\$250	\$179	\$71	\$227	\$162	\$65
General Services Administration: Stockpiling of strategic and critical materials.....	318		318	386		386	308		308
Total major commodity inventories, major national security.....	583	132	451	636	179	457	535	162	373
Total major commodity inventories.....	3,811	1,762	2,049	3,679	2,825	853	3,090	2,246	844
Major equipment:									
Civil:									
Research and development plant.....	9		9	10		10	10		10
Other than research and development plant:									
Department of Commerce:									
Merchant ships.....	14		14	20		20	20		20
Other.....				2		2	2		2
Post Office Department.....							70		70
Other agencies.....	3		3	21		21	14		14
Total major equipment, civil.....	20		20	53		53	115		115
Major national security:									
Research and development plant: Atomic Energy Commission.....	15		15	21		21	26		26
Other than research and development plant:									
Funds appropriated to the President: Expansion of defense production.....	(b)	7	7	10	9	1	24	4	20
Atomic Energy Commission.....	16		16	21		21	27		27
Department of Defense—Military Functions: Major procurement and production.....	12,204		12,204	11,731		11,731	12,273		12,273
Total major equipment, major national security.....	12,235	7	12,229	11,783	9	11,774	12,350	4	12,346
Total major equipment.....	12,256	7	12,249	11,836	9	11,827	12,465	4	12,461
Other physical assets—acquisition and improvement:									
Civil:									
Installment purchase of real property: General Services Administration.....				(b)		(b)	2		2
Other than installment purchase of real property:									
Veterans Administration.....	30	(b)	30	40	1	40	48	1	47
Housing and Home Finance Agency.....	69	34	35	42	39	3	34	55	21
Department of the Interior.....	11		11	13		13	14		14
Treasury Department.....	(b)	20	20	(b)	6	5	(b)	(b)	(b)
Other agencies.....	8	(b)	7	11		11	17		17
Total other physical assets, civil.....	118	55	62	106	45	61	116	56	60
Major national security:									
Installment purchase of real property:									
Department of Defense—Military Functions: Working capital (revolving) funds.....				4		4	93		93
Other than installment purchase of real property:									
Atomic Energy Commission.....	998		998	1,148		1,148	1,422		1,422
Other.....	(b)	(b)	(b)						
Total major national security.....	998	(b)	998	1,152		1,152	1,515		1,515
Total other physical assets—acquisition and improvement.....	1,116	55	1,060	1,258	45	1,213	1,631	56	1,575
Total additions to Federal assets.....	27,339	7,676	19,663	27,247	8,532	18,715	26,676	6,376	20,300

• Deduct, excess of repayments and collections over expenditures.

• Less than one-half million dollars.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation—Continued

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross ex- penditures	Applicable receipts	Net ex- penditures	Gross ex- penditures	Applicable receipts	Net ex- penditures	Gross ex- penditures	Applicable receipts	Net ex- penditures
EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES									
State and local physical assets:									
Grants-in-aid:									
For public works, research and development plant.....				\$2		\$2	\$11		\$11
For public works, other than research and development plant:									
Federal Civil Defense Administration.....							3		3
Department of Agriculture: Flood prevention and watershed protection.....	\$15		\$15	20		20	28		28
Department of Commerce:									
Roads ²	729		729	1		1			
Airports.....	17		17	45		45	48		48
Department of Health, Education, and Welfare:									
School construction.....	89		89	59		59	279		279
Hospital construction.....	24		24	37		37	44		44
Other.....				7		7	63		63
Other agencies.....	15		15	16		16	20		20
Total for public works.....	889		889	186		186	497		497
For other than public works:									
Federal Civil Defense Administration.....	10		10	13		13	13		13
Other agencies.....	(^b)		(^b)	1		1	1		1
Total for other than public works.....	10		10	14		14	14		14
Total State and local physical assets, grants-in-aid....	899		899	200		200	511		511
Private physical assets, civil:									
Direct Federal programs:									
Research and development plant.....				2		2	13		13
Other than research and development plant:									
Department of Agriculture:									
Agricultural conservation assistance.....	215		215	228		228	240		240
Great Plains conservation program.....							6		6
Soil Conservation Service.....	63		63	66		66	73		73
Soil bank program.....				236		236	270		270
Commodity Credit Corporation: Loans to Sec- retary for agricultural conservation assistance....	6		6	22		22	8		8
Department of Commerce: Merchant ships.....	14		14	23		23	40		40
Department of Health, Education, and Welfare.....	4		4	7		7	8		8
Total direct Federal programs.....	302		302	583		583	657		657
Grants-in-aid: Other than research and development plant:									
Department of Health, Education, and Welfare: Private hospital construction.....	30		30	45		45	54		54
Other agencies.....	1		1	1		1	6		6
Total grants-in-aid.....	31		31	46		46	60		60
Total private physical assets, civil.....	332		332	630		630	716		716
Education, training, and health:									
Civil:									
Direct Federal programs:									
National Science Foundation.....	4		4	13		13	17		17
Department of Agriculture.....	4		4	4		4	10		10
Department of Health, Education, and Welfare.....	78	(^b)	78	108	(^b)	108	121	(^b)	121
Department of the Interior.....	38		38	43		43	50		50
Other agencies.....	6		6	6		6	7		7
Total direct Federal programs.....	130	(^b)	129	174	(^b)	174	205	(^b)	205

² Less than one-half million dollars.³ Beginning with fiscal year 1957, expenditures for Federal-aid highways are paid from the highway trust fund and excluded from budget expenditures.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation—Continued

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES—Continued									
Education, training, and health—Continued									
Civil—continued									
Grants-in-aid:									
Department of Agriculture.....	\$44		\$44	\$50		\$50	\$54		\$54
Department of Health, Education, and Welfare:									
School operation.....	81		81	101		101	119		119
Other education and training.....	72		72	87		87	98		98
Health and child care.....	82		82	100		100	80		80
Other agencies.....	(b)		(b)	(b)		(b)	(b)		(b)
Total grants-in-aid.....	280		280	338		338	352		352
Total education, training, and health, civil.....	409	(b)	409	512	(b)	512	557	(b)	557
Major national security: Atomic Energy Commission.....	2		2	6		6	11		11
Total education, training, and health.....	411	(b)	411	518	(b)	518	568	(b)	568
Research and development:									
Civil:									
Direct Federal programs:									
Federal Civil Defense Administration.....	(b)		(b)	4		4	4		4
National Advisory Committee for Aeronautics.....	50		50	55		55	64		64
National Science Foundation.....	15	(b)	15	36		36	38		38
Veterans Administration.....	6		6	10		10	11		11
Department of Agriculture.....	63		63	78		78	86		86
Department of Commerce.....	20		20	20		20	24		24
Department of Health, Education, and Welfare.....	81		81	134		134	157		157
Department of the Interior.....	31		31	37		37	43		43
Other.....	8		8	10		10	14		14
Total direct Federal programs.....	275	(b)	274	385		385	440		440
Grants-in-aid:									
Department of Agriculture.....	26		26	31		31	36		36
Other agencies.....	5		5	6		6	9		9
Total grants-in-aid.....	31		31	37		37	44		44
Total research and development, civil.....	305	(b)	305	423		423	484		484
Major national security:									
Atomic Energy Commission.....	335		335	468		468	570		570
Department of Defense—Military Functions:									
Research and development.....	1,495		1,495	1,540		1,540	1,580		1,580
Military personnel.....	188		188	196		196	239		239
Other agencies.....	3		3	5		5	3		3
Total research and development, major national security.....	2,021		2,021	2,208		2,208	2,392		2,392
Total research and development.....	2,326	(b)	2,326	2,631		2,631	2,877		2,877
Engineering and natural resource surveys:									
Direct Federal programs:									
Federal Civil Defense Administration.....	1		1	4		4	4		4
Department of Commerce.....	11		11	11		11	12		12
Department of the Interior.....	29		29	31		31	37		37
Other agencies.....	11		11	18		18	19		19
Total direct Federal programs.....	51		51	64		64	72		72
Grants-in-aid.....	1		1	2		2	2		2
Total engineering and natural resource surveys.....	52		52	66		66	74		74
Total expenditures for other developmental purposes.....	4,021	(b)	4,020	4,045	(b)	4,045	4,746	(b)	4,746

* Less than one-half million dollars.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation—Continued

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES									
Agriculture:									
Direct Federal programs:									
Farm Credit Administration ¹	\$26	\$25	\$1	\$146	\$14	\$132	\$2	(b)	\$2
Department of Agriculture:									
Commodity Credit Corporation:									
International Wheat Agreement.....	35		35	^a 1		^a 1	18		18
Emergency feed.....	^a 42		^a 42						
Sales for foreign currency.....	615		615	834		834	277		277
Price support and other.....	680	35	645	999	95	904	779	\$208	571
Special commodity disposal programs.....	99		99	169		169	730		730
Soil bank program.....	4		4	991		991	983		983
Sugar Act.....	65		65	67		67	74		74
Other.....	131	31	100	188	34	154	211	35	176
Other agencies.....	11	2	9	8	3	5	8	4	4
Total direct Federal programs.....	1,623	93	1,530	3,401	146	3,255	3,083	247	2,836
Grants-in-aid: Department of Agriculture:									
Removal of surplus agricultural commodities.....	169		169	215		215	215		215
Forest Service.....	10		10	11		11	11		11
Commodity Credit Corporation.....	139	3	135	119	5	114	114	5	109
Total grants-in-aid.....	318	3	315	345	5	340	339	5	334
Total agriculture.....	1,942	96	1,846	3,746	151	3,595	3,422	252	3,170
Business:									
Civil:									
Direct Federal programs:									
Small Business Administration.....	8	4	4	12	8	4	15	10	5
Department of Commerce:									
Air navigation aids.....	102		102	118		118	166		166
Payments to air carriers.....	33		33	39		39	45		45
Maritime activities: Ship operating subsidies and administration.....	142		142	135		135	127		127
Other.....	50	1	49	38	1	37	43	1	42
Department of Defense—Civil Functions:									
Rivers and harbors and flood control: Maintenance and operation.....	67		67	78		78	74		74
Panama Canal Company.....	100	93	7	77	88	^a 11	73	78	^a 5
Other.....		4	^a 4	1	2	^a 1	1	2	^a 1
Post Office Department: Deficit, excluding Government mail and nonbusiness services.....	462		462	481	24	457	647	663	^a 16
Treasury Department:									
Coast Guard: Navigation aids.....	139		139	150		150	164		164
Federal Facilities Corporation.....	5	6	^a 1	(b)	5	^a 5	(b)	(b)	(b)
Reconstruction Finance Corporation.....	2	15	^a 13	2	16	^a 14	1	5	^a 4
Other agencies.....	5	(b)	5	8	(b)	8	7	(b)	7
Total direct Federal programs.....	1,115	122	992	1,139	143	995	1,363	760	602
Grants-in-aid: Department of Commerce.....							2		2
Total business, civil.....	1,115	122	992	1,139	143	995	1,364	760	604
Major national security: Funds appropriated to the President:									
Expansion of defense production, administrative expenses and losses on transactions.....	95	22	74	42	20	22	47	4	43
Total business.....	1,210	144	1,066	1,181	163	1,018	1,411	765	647

^a Deduct, excess of repayments and collections over expenditures.^b Less than one-half million dollars.¹ Beginning Jan. 1, 1957, the transactions of the Federal intermediate credit banks are being carried as trust fund expenditures and are excluded from budget expenditures.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation—Continued

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross ex- penditures	Applicable receipts	Net ex- penditures	Gross ex- penditures	Applicable receipts	Net ex- penditures	Gross ex- penditures	Applicable receipts	Net ex- penditures
CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES—Con.									
Labor:									
Direct Federal programs.....	\$13		\$13	\$13		\$13	\$15		\$15
Grants-in-aid:									
Department of Labor:									
Administration of unemployment compensation and employment service.....	231		231	238		238	257		257
Other.....							3		3
Treasury Department: Payment to unemployment trust fund.....	168		168	62		62	53		53
Total grants-in-aid.....	399		399	300		300	312		312
Total labor.....	412		412	313		313	327		327
Homeowners and tenants:									
Direct Federal programs:									
Federal Home Loan Bank Board.....	6	\$33	• 27	7	\$41	• 34	8	\$47	• 39
Housing and Home Finance Agency:									
Federal National Mortgage Association.....	80	107	• 27	67	115	• 48	71	115	• 44
Federal Housing Administration.....	52	173	• 121	56	169	• 113	55	192	• 137
Other.....	35	44	• 9	35	32	3	45	33	12
Other agencies.....				1		1	1		1
Total direct Federal programs.....	173	358	• 185	166	357	• 192	180	387	• 207
Grants-in-aid: Housing and Home Finance Agency:									
Public housing.....	82		82	92		92	99		99
Urban Renewal Fund.....	14		14	40		40	51		51
Total grants-in-aid.....	95		95	132		132	150		150
Total homeowners and tenants.....	268	358	• 89	298	357	• 60	329	387	• 57
Veterans:									
Direct Federal programs:									
Veterans Administration:									
Readjustment benefits.....	790		790	815		815	780		780
Compensation and pensions.....	2,798		2,798	2,896		2,896	3,003		3,003
Hospital and medical care.....	748		748	753		753	782		782
Other.....	325	67	258	276	74	202	375	81	294
Department of Labor:									
Unemployment compensation for veterans.....	68		68	56		56	38		38
Other.....	(b)		(b)	(b)		(b)	1		1
Other agencies.....	3		3	3		3	3		3
Total direct Federal programs.....	4,732	67	4,665	4,801	74	4,727	4,983	81	4,902
Grants-in-aid: Veterans Administration.....	8		8	8		8	9		9
Total veterans.....	4,740	67	4,673	4,809	74	4,735	4,992	81	4,911
International:									
Civil:									
Funds appropriated to the President:									
Other mutual security programs.....	1,521	3	1,518	1,415	5	1,410	1,655	6	1,648
Other.....	14		14	9		9	(b)		(b)
Export-Import Bank.....	27	86	• 59	35	92	• 57	48	108	• 60
Department of Agriculture:									
Commodity Stabilization Service: Reimbursements to Commodity Credit Corporation.....	79		79	89		89	94		94
Commodity Credit Corporation:									
Assistance to Pakistan.....	• 69		• 69						
Emergency assistance to friendly peoples.....	84		84	39		39	• 50		• 50
Department of Commerce.....	5		5	20		20	25		25
Other agencies.....	8		8	7		7	7		7
Total international, civil.....	1,667	89	1,578	1,614	97	1,517	1,780	114	1,666

• Deduct, excess of repayments and collections over expenditures.

b Less than one-half million dollars.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation—Continued

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES—Con.									
International—Continued									
Major national security:									
Funds appropriated to the President: Mutual security:									
Military assistance.....	\$2,604		\$2,604	\$2,590		\$2,590	\$2,585		\$2,585
Department of Defense—Military Functions: Military public works (infrastructure).....	15		15	24		24	18		18
Total international, major national security.....	2,619		2,619	2,614		2,614	2,603		2,603
Total international.....	4,286	\$89	4,197	4,228	\$97	4,131	4,383	\$114	4,269
Other aids and special services:									
Direct Federal programs:									
Housing and Home Finance Agency.....				10		10	50		50
Department of Agriculture.....	1		1	1		1	1		1
Department of Health, Education, and Welfare.....	53		53	56		56	64		64
Department of the Interior.....	23		23	26		26	27		27
Other agencies.....	11		11	13		13	17		17
Total direct Federal programs.....	88		88	107		107	160		160
Grants-in-aid:									
Funds appropriated to the President: Disaster relief.....	15		15	16		16	16		16
Federal Civil Defense Administration.....							10		10
Department of Agriculture: School-lunch program.....	82		82	98		98	99		99
Department of Health, Education, and Welfare: Public assistance.....	1,455		1,455	1,584		1,584	1,682		1,682
Total grants-in-aid.....	1,552		1,552	1,697		1,697	1,806		1,806
Total other aids and special services.....	1,640		1,640	1,804		1,804	1,967		1,967
Total current expenses for aids and special services.....	14,499	754	13,745	16,379	843	15,536	16,832	1,599	15,233
OTHER SERVICES AND CURRENT OPERATING EXPENSES									
Repair, maintenance, and operation of physical assets (excluding special services):									
Civil:									
Related to benefit programs:									
Tennessee Valley Authority.....	160	241	^a 81	161	257	^a 96	168	276	^a 108
Department of Commerce.....	68	27	41	46	27	19	30	27	3
Department of Defense—Civil Functions.....	49		49	41		41	41		41
Department of the Interior.....	109	32	77	120	27	93	130	27	103
Other agencies.....	3	1	2	3	9	^a 6	4	3	1
Total related to benefit programs.....	389	300	89	372	320	51	373	333	40
Other:									
General Services Administration.....	128	1	127	148	1	147	160	1	159
Department of Agriculture: Forest Service.....	64		64	71		71	75		75
Other agencies.....	11		11	14		14	16		16
Total other.....	202	1	202	232	1	232	250	1	250
Total repair, maintenance, and operation, civil.....	591	301	291	604	321	283	623	333	290
Major national security:									
Atomic Energy Commission.....	41		41	39		39	51		51
Department of Defense—Military Functions:									
Operation and maintenance.....	8,519		8,519	9,100		9,100	9,598		9,598
Working capital (revolving) funds.....				2	4	^a 2	10	30	^a 20
Total repair, maintenance, and operation, major national security.....	8,560		8,560	9,141	4	9,137	9,659	30	9,629
Total repair, maintenance, and operation of physical assets.....	9,151	301	8,851	9,745	325	9,420	10,283	364	9,919

^a Deduct, excess of repayments and collections over expenditures.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation—Continued

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
OTHER SERVICES AND CURRENT OPERATING EXPENSES—Con.									
Regulation and control:									
The judiciary.....	\$36		\$36	\$39		\$39	\$43		\$43
Interstate Commerce Commission.....	13		13	15		15	17		17
National Labor Relations Board.....	9		9	9		9	10		10
Department of Agriculture.....	61		61	64		64	68		68
Department of Commerce.....	21		21	22		22	28		28
Department of Health, Education, and Welfare.....	9	\$2	7	10	\$2	8	13	\$3	10
Department of Justice:									
Federal Bureau of Investigation.....	97		97	97		97	101		101
Other.....	116		116	114		114	120		120
Department of Labor.....	8		8	11		11	12		12
Treasury Department.....	77		77	77		77	83		83
Other agencies.....	28		28	31		31	35		35
Total regulation and control.....	476	2	474	489	2	487	530	3	528
Operation and maintenance of the postal system (excluding the postal deficit):									
Post Office Department: Postal fund.....	2,409	2,409		2,488	2,488		2,587	2,587	
Operation and administration of other civil activities:									
International activities:									
Funds appropriated to the President.....	5		5	9		9	18		18
United States Information Agency.....	86		86	102		102	126		126
Department of State:									
International educational exchange activities.....	19		19	19		19	22		22
Contributions to international organizations.....	28		28	34		34	37		37
Government in occupied areas.....	10		10	1		1	(^b)		(^b)
Other.....	75	(^b)	75	104		104	132		132
Total international activities.....	224	(^b)	223	269		269	335		335
Federal financial activities:									
General Accounting Office.....	33		33	34		34	38		38
Renegotiation Board and Tax Court of the United States.....	5		5	5		5	5		5
Treasury Department:									
Internal Revenue Service.....	304		304	305		305	331		331
Other.....	87	(^b)	87	89	(^b)	89	95	(^b)	95
Total Federal financial activities.....	430	(^b)	430	433	(^b)	433	469	(^b)	469
Other direct Federal programs:									
Legislative branch.....	70		70	74		74	78		78
Executive Office of the President.....	10		10	10		10	12		12
Civil Service Commission.....	18		18	19		19	20		20
Federal Civil Defense Administration.....	13		13	18		18	27		27
Selective Service System.....	27		27	29		29	30		30
General Services Administration.....	30		30	68		68	67		67
Department of Commerce.....	35		35	39		39	39		39
Department of Defense—Civil Functions:									
Claims.....	2		2	21		21	2		2
Other.....	26		26	28		28	30		30
Department of the Interior.....	9		9	11		11	10		10
Post Office Department.....	41	41		44	44		46	46	
Treasury Department: Claims and judgments.....	228		228	39		39	7		7
Other agencies.....	14		14	6		6	10		10
Total other direct Federal programs.....	523	41	482	407	44	363	378	46	332
Retirement, unemployment, and accident compensation for Federal employees:									
Civil Service Commission: Payment to Civil Service retirement and disability fund and annuities under special acts.....	235		235	527		527	2		2
Department of Labor:									
Employees compensation claims and expenses.....	49		49	50		50	50		50
Unemployment compensation for Federal employees.....	30		30	29		29	29		29

^b Less than one-half million dollars.

SPECIAL ANALYSIS D—Continued

INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation—Continued

[In millions]

	1956 actual			1957 estimate			1958 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
OTHER SERVICES AND CURRENT OPERATING EXPENSES—Con.									
Operation and administration of other civil activities—Continued									
Retirement, unemployment, and accident compensation for Federal employees—Continued									
Treasury Department: Coast Guard retired pay and Secret Service annuities.....	\$24		\$24	\$25		\$25	\$27		\$27
Other agencies.....	3		3	3		3	3		3
Total retirement, unemployment, and accident compensation for Federal employees.....	341		341	634		634	112		112
Shared revenues and grants-in-aid:									
Department of Agriculture.....	20		20	29		29	30		30
Department of the Interior.....	57		57	61		61	64		64
Treasury Department.....	18		18	20		20	20		20
District of Columbia: Federal payment.....	13		13	16		16	19		19
Other agencies.....	5		5	6		6	7		7
Total shared revenues and grants-in-aid.....	113		113	132		132	140		140
Total operation and administration of other civil activities.....	1,631	\$41	1,589	1,874	\$44	1,830	1,434	\$46	1,388
Other major national security operation and administration:									
General Services Administration.....	33		33	39		39	37		37
Department of Defense—Military Functions:									
Military personnel (excluding research and development).....	10,478		10,478	10,125		10,125	10,285		10,285
Reserve components (excluding construction).....	796		796	967		967	1,138		1,138
Departmentwide activities (excluding construction).....	688		688	869		869	944		944
Working capital (revolving) funds (excluding acquisition and maintenance of physical assets).....	a 644	(b)	a 644	a 590	1	a 591	a 471	1	a 472
Total other major national security operation and administration.....	11,351	(b)	11,351	11,410	1	11,403	11,933	1	11,932
Interest:									
On the public debt.....	6,787		6,787	7,200		7,200	7,300		7,300
Other interest:									
On refunds.....	54		54	54		54	54		54
On uninvested funds.....	6		6	6		6	6		6
Total other interest.....	60		60	60		60	60		60
Total interest.....	6,846		6,846	7,260		7,260	7,360		7,360
Total other services and current operating expenses.....	31,865	2,754	29,111	33,265	2,860	30,405	34,127	3,000	31,127
ALLOWANCE FOR CONTINGENCIES.....				200		200	400		400
Deduct, Commodity Credit Corporation collateral acquired ¹	2,287	2,287		2,008	2,008		1,579	1,579	
Total.....	75,436	8,896	66,540	79,127	10,227	68,900	81,203	9,396	71,807

^a Deduct, excess of repayments and collections over expenditures.^b Less than one-half million dollars.¹ Noncash transaction, included above in budget expenditures (gross) for commodity inventories, and in the applicable receipts which are applied to loans.

SPECIAL ANALYSIS E

ANALYSIS OF BUDGET EXPENDITURES BY PURPOSE

INTRODUCTION AND SUMMARY

In this special analysis, the expenditures of the United States Government are divided into four large groupings in order to show the ultimate ends or purposes for which taxes and other Federal Government revenues are used. These categories are (1) the cost of protection, including collective security; (2) civil benefits to various parts of society; (3) interest payments, mainly on the public debt; and (4) civil operations and administration.

The discussion of budget expenditures which appears on pages M11 to M16 of the President's budget message is based on this classification. Table 1 below summarizes budget expenditures according to these four major categories. Details on each category are contained in subsequent sections of this analysis.

TABLE 1.—Summary of budget expenditures, by purpose

[Net of applicable receipts. In millions]

	1956 actual	1957 estimate	1958 estimate
Protection, including collective security.....	\$42,400	\$42,670	\$45,345
Civil benefits.....	15,267	16,503	16,860
Interest.....	6,846	7,260	7,360
Civil operations and administration.....	2,027	2,267	1,842
Allowance for contingencies.....		200	400
Total.....	66,540	68,900	71,807

PROTECTION, INCLUDING COLLECTIVE SECURITY

The expenditures for protection, including collective security, which account for almost two-thirds of budget expenditures, consist of all the outlays (including those for additions to Federal assets) for the Military Establishment, the mutual security program, and related activities such as the overseas information program, the development of atomic energy, and civil defense. These expenditures are estimated to total \$45,345 million in 1958, compared to \$42,670 million in 1957 and \$42,400 million in 1956 (see table 2).

TABLE 2.—Protection, including collective security

[Net of applicable receipts. In millions]

	1956 actual	1957 estimate	1958 estimate
Major national security:			
Department of Defense—Military Functions:			
Military personnel.....	\$11,143	\$10,836	\$11,067
Operation and maintenance.....	8,519	9,100	9,598
Major procurement and production.....	12,204	11,731	12,273
Military construction.....	2,008	1,975	2,242
Research and development, ¹ reserve components, and other.....	1,916	2,358	2,821
Subtotal, Department of Defense.....	35,791	36,000	38,000
Mutual security program—military assistance.....	2,611	2,600	2,600
Atomic Energy Commission.....	1,651	1,940	2,340
Stockpiling and defense production expansion.....	588	425	395
Total, major national security.....	40,641	40,965	43,335
Related programs:			
Mutual security program—economic, technical, and other.....	1,590	1,502	1,756
United States Information Agency.....	86	103	128
Federal Civil Defense Administration.....	56	71	95
Selective Service System.....	27	29	30
Total, related programs.....	1,759	1,705	2,010
Total protection, including collective security.....	42,400	42,670	45,345

¹ Excludes amounts for procurement and military construction which also contribute to research and development.

Department of Defense.—The major types of outlays by the Department of Defense are for procurement, maintenance, and operation of military equipment; military personnel; military construction; reserve components; and research and development. In 1958, expenditures are estimated to increase by \$2 billion over 1957, mainly for the procurement of guided missiles and for the maintenance and operation of new weapons and additional air bases and other military installations.

Atomic Energy Commission.—Expenditures for the development and control of atomic energy are mainly concerned with the procurement of raw materials and the production of nuclear weapons. There will be a continued emphasis on the development of atomic weapons and civilian and military reactors in 1958.

Mutual security program.—This program covers the military equipment and training furnished to cooperating countries and the economic and technical assistance designed to help the nations of the free world strengthen their economies.

Other.—Expenditures for all other programs classified as protection cover net expenditures for stockpiling strategic and critical materials, the expansion of defense production, the overseas information program, civil defense, and selective service.

CIVIL BENEFITS

A large number of programs designed to yield benefits to the Nation generally or to various groups and geographic areas are classified as civil benefits. These are largely current aids and services to various groups; but they also include expenditures for the acquisition of assets, which have varying degrees of recoverable value or permanency, and expenditures for long-range development. Expenditures for civil benefits are estimated to total \$16,860 million in 1958, compared to \$16,503 million in 1957 and \$15,267 million in 1956 (see table 3).

Additions to Federal assets.—This subcategory covers loans, construction activity, and acquisition of other physical assets by all agencies except those included under protection.

The portion of the expenditures by the Commodity Credit Corporation which is for additions to Federal assets covers (1) the net change in loans outstanding for agricultural price supports, (2) increases in inventories of commodities, and (3) construction of storage facilities.

Expenditures by the Commodity Credit Corporation for additions to assets are estimated to decline from \$2.2 billion in 1956 to \$60 million in 1957 and \$425 million in 1958.

Net expenditures for loans by other agencies are estimated to rise from \$446 million in 1956 to \$1.7 billion in 1957, mainly due to the increased net disbursements by the Export-Import Bank and for the Treasury investment in the secondary market operations of the Federal National Mortgage Association. Smaller net disbursements for these two programs account for the estimated decline to \$1.4 billion in 1958. Additional detail on loan programs is contained in special analysis F.

Construction covers all Federal civil public works, including water resource projects by the Corps of Engineers and the Bureau of Reclamation, and construction of public buildings and facilities by the General Services Administration and other agencies. Expenditures for construction, other than by the Commodity Credit

SPECIAL ANALYSIS E—Continued

ANALYSIS OF BUDGET EXPENDITURES BY PURPOSE—Continued

Corporation, are estimated at \$1.2 billion in 1957 and \$1.4 billion in 1958.

Long-range development.—A number of Federal programs are broadly developmental in that they contribute to the physical productivity of the economy or increase the technical skills and knowledge of individuals. These programs, which are mainly conducted through grants-in-aid to State and local governments, include agricultural conservation assistance to farmers, conservation practice payments under the soil bank program, programs of education, health, and scientific research and development, and construction of airports and highways. Beginning in 1957, expenditures under the Federal-aid highway program are no longer included in budget expenditures but are made from a separately financed trust fund.

Current expenses for civil benefits.—This category covers current expenditures for programs which provide aids or special services to one or more specific groups. However, it excludes investment-type expenditures, which provide substantial benefits to various economic groups such as outlays for loans, construction, other assets, and developmental programs. Current expenses for civil benefits are estimated at \$11.7 billion in 1957 and \$11.1 billion in 1958.

Current expenses for the benefit of farmers consist chiefly of (1) the net expenditures of the Commodity Credit Corporation and the soil bank program, other than those classified as additions to Federal assets, long-range development, and international aid; (2) the removal of surplus agricultural commodities; and (3) administrative expenses of aid programs to farmers.

Current expenses primarily benefiting private business include subsidies and other aid to the aviation and shipping industries and the payment to the Post Office to cover the losses in postal operations. The decline in net expenditures estimated for 1958 arises chiefly from the proposed adjustment of postal rates to meet the cost of the postal service.

Current expenses benefiting labor include the Federal grants to cover the cost of administering unemployment insurance and public employment offices, the general administrative expenses of the Department of Labor, and the mine safety work of the Bureau of Mines.

Most of the expenditures benefiting homeowners and tenants are in the form of loans already covered above. Current expenses are primarily for administration and interest, and are offset by the operating receipts arising from housing loan and loan insurance programs.

TABLE 3.—Civil benefits

(Net of applicable receipts. In millions)

	1956 actual	1957 estimate	1958 estimate
Additions to Federal assets:			
Commodity Credit Corporation:			
Net change in loans outstanding		-\$297	-\$34
Net expenditures for inventories	1,577	325	396
Construction	13	32	33
Loans, other than CCC	446	1,658	1,405
Construction, other than CCC:			
Tennessee Valley Authority	62	89	123
Department of Commerce	52	88	137
Department of Defense—Civil Functions	412	470	533
Department of the Interior	297	249	267
Other agencies	121	255	326
Other physical assets	71	154	218
Total, additions to Federal assets	3,544	3,022	3,433

TABLE 3.—Civil benefits—Continued

(Net of applicable receipts. In millions)

	1956 actual	1957 estimate	1958 estimate
Long-range development:			
State, local, and private physical assets:			
Grants for school and hospital construction	\$144	\$141	\$378
Grants for public roads	729	1	
Grants for airports	17	45	48
Agricultural conservation assistance and Soil Conservation Service	300	335	354
Soil bank program		236	270
Other	33	59	162
Subtotal, State, local, and private physical assets	1,222	817	1,211
Education, training, and health	409	512	557
Research and development	305	418	480
Engineering and resource surveys	51	62	70
Total, long-range development	1,987	1,809	2,319
Current expenses for civil benefits:			
Agriculture:			
Commodity Credit Corporation	1,388	1,850	975
Special commodity disposal programs	99	169	730
Removal of surplus agricultural commodities	179	245	245
Soil bank program	4	991	933
Other	176	340	237
Subtotal, agriculture	1,845	3,595	3,170
Business:			
Air navigation aids	102	118	166
Payments to air carriers	33	39	45
Maritime ship operating subsidies and administration	142	135	127
Maintenance and operation of river and harbor works	67	78	74
Panama Canal Company	7	-11	-5
Coast Guard navigation aids	139	150	164
Post Office	462	457	-16
Other	40	27	48
Subtotal, business	992	995	604
Labor:			
Grants for administration of unemployment compensation and employment service administration	231	238	257
Payment to unemployment trust fund	168	62	53
Other	13	13	18
Subtotal, labor	412	313	327
Homeowners and tenants	-89	-60	-57
Veterans:			
Readjustment benefits	790	815	780
Compensation and pensions	2,798	2,896	3,003
Hospital and medical care	748	753	782
Unemployment compensation	68	56	38
Other	269	214	307
Subtotal, veterans	4,673	4,735	4,911
International	60	107	18
Public assistance (grants to States)	1,455	1,584	1,682
Other:			
Grants for school lunch program (other than Commodity Credit Corporation)	82	98	99
Department of Health, Education, and Welfare	53	56	64
Department of the Interior (Indian Affairs)	23	26	27
Housing and Home Finance Agency		10	50
Maintenance and operation of assets for benefit programs	89	51	40
Shared revenues and miscellaneous grants-in-aid	113	132	140
Other aids	28	29	35
Subtotal, other	387	403	455
Total, current expenses for civil benefits	9,737	11,673	11,109
Total, civil benefits	15,267	16,503	16,860

Current expenses for aids and services to veterans account for about 30 percent of all civil benefits in 1958. These consist of such programs as readjustment benefits, compensation and pensions, and hospital and medical care.

SPECIAL ANALYSIS E—Continued

ANALYSIS OF BUDGET EXPENDITURES BY PURPOSE—Continued

Federal grants to States help provide public assistance to the needy aged, the blind, the totally disabled, and orphans.

Other services performed by the Federal Government which benefit various groups or areas of the Nation include grants for the school-lunch program, disaster relief, and certain activities of the Public Health Service and the Bureau of Indian Affairs.

INTEREST

Interest payments for 1958 are estimated at \$7,360 million, compared to \$7,260 million for 1957. This difference consists of higher interest payments on the public debt, reflecting an increase in interest rates on issues refunded.

CIVIL OPERATIONS AND ADMINISTRATION

The expenditures shown under this heading are predominantly the traditional expenses for civil operations and administration of the Federal Government. Here are found the bulk of the expenditures for the legislative branch, the judiciary, the Executive Office of the President, the Departments of State and Justice, the Internal Revenue Service, and the various regulatory activities of the Government.

TABLE 4.—Civil operations and administration

[Net of applicable receipts. In millions]

	1956 actual	1957 estimate	1958 estimate
Repair, maintenance, and operation of properties (other than assets related to benefit programs).....	\$202	\$232	\$250
Regulation and control.....	474	487	523
Other civil activities:			
International activities.....	137	166	209
Federal financial activities.....	430	433	469
Retirement, accident, and unemployment compensation for Federal employees.....	341	634	112
Claims and judgments.....	230	60	9
Other Federal programs.....	212	256	266
Total, civil operations and administration.....	2,027	2,267	1,842

Expenditures under the heading of "Civil operations and administration" are estimated at \$1,842 million in 1958, a decrease of \$425 million from 1957. The decrease results from the fact that beginning in 1958, each individual Government program will bear its respective share of the Government's payment to the civil service retirement fund, with the result that the bulk of this cost is now allocated to other categories. In 1957 and most prior years, the Government made a lump-sum annual payment which was classified entirely as "Civil operations and administration" (see table 4).

RELATIONSHIP OF DATA TO SPECIAL ANALYSIS D

The data used in this classification are related primarily to special analysis D, "Investment, operating, and other budget expenditures." Table 5 shows the relationship between that classification and this one.

The method for relating the data in this classification to special analysis D is as follows:

(1) All items which are classified in the major national security function (shown separately in special analysis D), together with the nonmilitary portion of the mutual security program, the Federal Civil Defense Administration, the Selective Service System, and the United States Information Agency are here classified as protection.

(2) Interest here is identical with interest in special analysis D.

(3) The remainder of the expenditures is divided between civil benefits and civil operations and administration as follows: (a) "Additions to Federal assets," "Expenditures for other developmental purposes," and "Current expenses for aids and special services," which are not included in (1), above, are considered civil benefits; (b) repair, maintenance, and operation of assets related to benefit programs, and expenditures for shared revenues and miscellaneous grants-in-aid are also considered civil benefits; and (c) the remaining expenditures are considered civil operations and administration.

TABLE 5.—Relationship of classification of 1958 expenditures by purpose to special analysis D

[Net of applicable receipts. In millions]

"D" classification	Classification by purpose			
	Protection	Interest	Benefits	Operations
Additions to Federal assets:				
Major national security.....	\$16,724			
Civil:				
Mutual security program.....	103			
Federal Civil Defense Administration.....	33			
United States Information Agency.....	2			
Other.....			\$3,433	
Expenditures for other developmental purposes:				
Major national security.....	2,404			
Civil:				
Federal Civil Defense Administration.....	24			
Other.....			2,319	
Current expenses for aids and special services:				
Major national security.....	2,646			
Civil:				
Mutual security program.....	1,648			
Federal Civil Defense Administration.....	10			
Other.....			10,929	
Other services and current operating expenses:				
Major national security.....	21,561			
Interest.....		\$7,360		
Civil:				
Repair, maintenance, and operation of physical assets:				
Assets related to benefit programs.....			40	
Other.....				\$250
Regulation and control.....				523
Other civil activities:				
United States Information Agency.....	126			
Federal Civil Defense Administration.....	28			
Selective Service System.....	30			
Shared revenues and grants-in-aid.....			140	
Other.....				1,064
Total.....	45,345	7,360	16,860	1,842

NOTE.—In addition, the budget includes an unallocated allowance for contingencies of \$400 million.

SPECIAL ANALYSIS F

FEDERAL CREDIT PROGRAMS

INTRODUCTION

Federal credit programs are an important method for the achievement of public policy objectives. For example, as part of the Federal programs for improvement of housing and encouragement of home ownership, Federal agencies have insured or guaranteed more than 40 percent of all outstanding home-mortgage loans. Similarly, financial assistance in the form of credit is an important part of the Federal program of encouraging efficient family-size farm units. Loans to help restore international economic stability and promote the economic development of underdeveloped areas have been a significant part of the Government's international program in recent years. Federal credit aids to business are primarily to help meet defense needs and to assist small businesses to obtain financing; they account for only a very small part of business credit. The President is recommending new credit aids as part of his programs for assistance to school construction, and communities suffering from chronic unemployment. In addition to influences in these specific areas, Federal credit programs exert a powerful influence on the general level of economic activity.

The impact of Federal credit programs on the Federal budget is relatively small when compared with the large amount of credit extended or guaranteed. The most important reason for this is the predominance of Federal insurance and guaranties of private loans in recent years, discussed more fully later in this analysis. Such programs normally involve little or no budget expenditures except in cases when defaults require the guaranteeing or insuring agencies to take over private loans. Secondly, a significant share of new commitments, both for insurance and guaranties and for direct loans, are canceled or expire without being used by the lending institution or the borrower. Finally, collections on loans in most cases directly offset disbursements on new loans, with the result that net expenditures are much less than gross expenditures; often net receipts occur.

Federal credit programs are intended to supplement rather than to substitute for private credit. They have expanded greatly in the postwar period. Direct loans outstanding increased from about \$5 billion in 1945 to about \$17 billion on June 30, 1956. However, this amount was only about 4 percent of the estimated private debt of \$394 billion outstanding on that date. Private loans partly or wholly guaranteed by Federal agencies have increased more than eightfold since 1945 to \$51 billion, comprising 13 percent of total private debt.

COVERAGE OF SPECIAL ANALYSIS

This special analysis presents a broad picture both of direct Federal loans and investments, and of Federal loan insurance and loan guaranty programs. It summarizes new commitments, disbursements and repayments, loans outstanding and guaranties in force, new commitment authority, and status of credit authority of 18 major Federal credit programs. These programs account for nearly all new commitments of Federal credit agencies in 1958.

The analysis covers major credit programs of wholly owned Government enterprises, whether corporate or noncorporate. Included also are major credit operations

of other departments and agencies, not primarily engaged in lending activities, such as the Treasury Department loan to the United Kingdom in 1947. Loan programs of important quasi-public agencies are excluded from the tables, but are discussed separately.

Three changes in coverage have been made in this year's analysis. First, the Federal intermediate credit banks in the Farm Credit Administration have been excluded from the tables. On January 1, 1957, the banks became mixed-ownership institutions; their receipts and expenditures are, therefore, no longer included in budget expenditures. A discussion of the banks, however, is included under quasi-public credit programs. Second, the ship mortgage guaranty program of the Maritime Administration is expanding greatly and is therefore included in the analysis for the first time. Third, the substantial changes in the Government's investment in the secondary market operations of the Federal National Mortgage Association are included, since they are reflected in budget expenditures.

The analysis excludes interagency credit used to finance budget expenditures, such as borrowing from the Treasury by other Government agencies, whether for loan or other programs. Credit extended in connection with sales by the Federal Government, such as credit to finance sales of war surplus goods, is also excluded in general.

SUMMARY

Total new commitments for major Federal credit programs for 1958 are estimated at \$21.4 billion (table 1). Of this total, credit aids for housing and related programs, including loans and guaranties by the Housing and Home Finance Agency and the Veterans Administration, account for \$16.9 billion, or about 80 percent. Credit aids for agricultural programs account for \$3.2 billion, or 15 percent; this would have been 23 percent if the Federal intermediate credit banks had been retained. The major increase in new commitments during the 3-year period is accounted for primarily by the steady growth in housing programs.

TABLE 1.—Commitments and expenditures for major Federal credit programs classified by agency or program

Agency or program	[In millions]					
	New commitments			Net expenditures		
	1956 actual	1957 esti- mate	1958 esti- mate	1956 actual	1957 esti- mate	1958 esti- mate
Housing and Home Finance Agency	\$6,989	\$9,686	\$10,803	\$72	\$728	\$366
Veterans Administration	6,975	5,910	6,072	56	74	92
Department of Agriculture	3,596	3,552	3,202	726	-74	282
Department of Commerce	18	239	237			
Expansion of defense production	136	126	131	16	-108	-81
Small Business Administration	126	181	142	50	97	56
Treasury Department				-170	-111	-60
Export-Import Bank	379	1,140	850	-30	454	303
Department of State	211	275	(1)	159	191	220
Total	18,430	21,109	21,437	879	1,251	1,178
Other agencies or programs				41	-103	52
Adjustments for repayments going directly into miscellaneous receipts				293	326	351
Adjustments for disbursements in foreign currencies				-93	-118	-137
Total budget expenditures				1,120	1,356	1,444

¹ Not available.

SPECIAL ANALYSIS F—Continued

FEDERAL CREDIT PROGRAMS—Continued

As indicated in detail in table 3 below, expenditures of major credit programs will exceed receipts by \$1,178 million in 1958. The changes over the 3-year period are accounted for in large part by changes in the level of operations of the Commodity Credit Corporation, the Federal National Mortgage Association, and the Export-Import Bank.

NEW COMMITMENTS

New commitments provide the best single measure of the trends in most Federal credit programs. They also provide the best indication of trends in the economic impact of these programs, since changes in the magnitude of new commitments usually lead to corresponding changes in the volume of loans disbursed by either public agencies or private lenders.

In this study, commitments are defined as approvals by Federal agencies of direct loans or of insurance or guaranties of private loans. They are shown on a gross basis, including commitments which do not result in an actual credit extension. The amounts shown are the principal amounts of the loans; for several guaranty and insurance programs these exceed the Government's contingent liability, since the unguaranteed or uninsured portions are also included.

As table 2 indicates, commitments for Federal guaranties and insurance of private loans account for about 80 percent of total new commitments in 1958. This high proportion arises from legal requirements or the administrative policy of making direct loans only where private credit, even with Government guaranty or insurance, is not available on reasonable terms, and from revisions in interest rates and other terms designed to make guaranteed and insured loans more attractive to private lenders. Some of the direct loans and investments also encourage private lending, for example, purchases of mortgages by the Federal National Mortgage Association from private financial institutions.

Direct loans and investments.—New commitments of \$4.3 billion for direct loans and investments continue at slightly below the 1957 level, making allowance for the fact that 1958 figures for the International Cooperation Administration are not available. Increases in 1953 for some of the housing programs are offset by reductions in the lending program of the Export-Import Bank, reduced price-support operations by the Commodity Credit Corporation, and lower investments in the secondary market operations of the Federal National Mortgage Association. The sharp increase in new commitments in 1957 and in 1958 over the 1956 level arises in large part from investments to finance the secondary market operations of the Federal National Mortgage Association, and increased loans in 1957 by the Export-Import Bank, including a \$500 million loan to the United Kingdom to meet financial needs arising from the crisis in the Middle East.

Guaranties and insurance.—New commitments for Federal guaranties and insurance of private loans are estimated at \$17.2 billion in 1958, compared to \$16.3 billion in 1957 and \$15.9 billion in 1956. Guaranties and insurance of housing mortgages will be substantially higher mainly as a result of growing activities under the mortgage insurance programs for housing in urban renewal areas and the revised program authorized by the Housing Amendments of 1955 for mortgage insurance on family housing for the armed services. The increases in the housing programs account for all of the increase since 1957.

TABLE 2.—New commitments for major Federal credit programs classified by type of assistance, major agency or program

Agency or program	[In millions]					
	1956 actual		1957 estimate		1958 estimate	
	Direct loans and investments	Guaranties and insurance	Direct loans and investments	Guaranties and insurance	Direct loans and investments	Guaranties and insurance
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$306		\$1,327		\$1,140	
Urban Renewal Administration	83		200		297	
Community Facilities Administration	81		268		309	
Federal Housing Administration	45	\$6,034	47	\$7,152	41	\$8,128
Public Housing Administration	89	351	225	467	383	500
Veterans Administration	174	6,801	90	5,820	83	5,989
Department of Agriculture:						
Rural Electrification Administration	274		265		265	
Farmers' Home Administration	248	51	331	38	361	38
Commodity Credit Corporation	507	2,516	513	2,405	435	2,103
Department of Commerce: Maritime Administration		18		239		237
Expansion of defense production	4	132		128		131
Small Business Administration	102	24	145	36	114	28
Export-Import Bank	372	7	1,135	5	845	5
Department of State: International Cooperation Administration	211		275		(1)	
Total by type of assistance	2,496	15,934	4,821	16,288	4,278	17,159
Grand total	18,430		21,109		21,437	

1 Not available.

Overlap in commitments.—Total commitments may overstate by 1 to 2 billion dollars the net amount of credit assistance by the Federal Government, especially for housing credit. This is because two or more types of Federal assistance are sometimes provided for the same borrower or the same property at different stages in the financing process. No adjustment is made for this overlap, since the amount in any single year is difficult to estimate.

A substantial share of the housing initially constructed with the aid of mortgage insurance by the Federal Housing Administration is ultimately sold to veterans who finance their purchases with mortgages guaranteed by the Veterans Administration. The Federal National Mortgage Association purchases or participates only in mortgages previously insured by the Federal Housing Administration or guaranteed by the Veterans Administration.

Similarly, local housing authorities normally finance most or all of the construction of low-rent units with temporary loans made or directly guaranteed by the Public Housing Administration. These temporary obligations, however, are refinanced by sale of long-term obligations to private investors on the security of Federal annual contribution contracts.

DISBURSEMENTS AND REPAYMENTS

Direct loans and investments can have a major impact on the Federal budget, since the difference between disbursements and repayments represents Federal expenditures or receipts. Federal guaranties and insurance of private loans, on the other hand, ordinarily have only a minor effect on Federal expenditures, since they result primarily in expenditures by private financial institutions. Only if they have been taken over by Federal agencies as a result of defaults or otherwise are they reflected in budget expenditures. Net expenditures for Federal credit assistance give, therefore, only a partial picture of the economic impact of these programs.

SPECIAL ANALYSIS F—Continued
FEDERAL CREDIT PROGRAMS—Continued

Net expenditures of all Government lending programs—with the exception of loans from trust funds or by quasi-public agencies—are included in the budget totals. In most cases, collections are offset directly against expenditures; in a few major programs, however, they go directly to miscellaneous receipts and, therefore, do not affect budget expenditures. In the case of foreign loans, disbursements in foreign currencies are included in the analysis but are not included in the budget.

In table 1 of this analysis, expenditures for loans are shown on a net basis, that is, they reflect loan disbursements less repayments of old loans. However, to indicate more clearly the total volume of loans, table 3 shows both gross loan disbursements and repayments (including those going directly to miscellaneous receipts of the Treasury). The difference between these two columns represents the net addition to or reduction in Federal loan assets (excluding primarily chargeoffs and recoveries) for the major credit programs during the fiscal year. To bring total expenditures for loans into line with budget expenditures, net expenditures of minor Federal programs and adjustments for repayments going directly to miscellaneous receipts and for disbursements in foreign currencies are shown.

TABLE 3.—Disbursements and repayments for major Federal credit programs classified by agency or programs

Agency or program	1956 actual		1957 estimate		1958 estimate	
	Disbursements	Repayments	Disbursements	Repayments	Disbursements	Repayments
Housing and Home Finance Agency:						
Federal National Mortgage Association.....	\$372	\$365	\$1,084	\$500	\$897	\$713
Urban Renewal Administration.....	20	17	43	35	64	69
Community Facilities Administration.....	34	2	88	1	163	2
Federal Housing Administration.....	45	12	47	13	41	15
Public Housing Administration.....	237	239	466	451	329	329
Veterans Administration.....	93	37	116	42	139	47
Department of Agriculture:						
Rural Electrification Administration.....	209	81	225	88	255	95
Farmers' Home Administration.....	246	231	327	241	359	234
Commodity Credit Corporation.....	3,337	2,754	2,581	2,878	2,326	2,329
Expansion of defense production:						
Direct loans and advances.....	54	43	19	126	3	84
Guaranties of defense production loans.....	7	2	3	4	4	4
Small Business Administration.....	61	11	118	21	95	39
Treasury Department:						
Reconstruction Finance Corporation liquidation.....	1	123	1	63	-----	10
Loan to United Kingdom.....	-----	48	-----	49	-----	50
Export-Import Bank.....	185	215	741	287	622	319
Department of State: International Cooperation Administration.....	165	6	210	19	245	25
Total.....	5,066	4,186	6,069	4,818	5,542	4,364
Net addition to loans and investments:						
Major agencies or programs.....	879	-----	1,251	-----	1,178	-----
Other agencies or programs.....	41	-----	103	-----	52	-----
Adjustment for repayments going directly into miscellaneous receipts.....	293	-----	326	-----	351	-----
Adjustment for disbursements in foreign currencies.....	-93	-----	-118	-----	-137	-----
Total budget expenditures.....	1,120	-----	1,356	-----	1,444	-----

In both tables 1 and 3, expenditure figures represent disbursements and repayments of loans only, and exclude all income and expense items. Losses actually incurred

and written off are not included, because no cash transaction is involved.

In 1958, gross loan disbursements of major Federal credit programs are estimated at \$5,542 million and repayments at \$4,364 million. Net expenditures of \$1,178 million are thus a relatively small fraction of the gross level of activity. Of the total repayments, \$351 million will go directly to miscellaneous receipts, chiefly repayments of loans by the Farmers' Home Administration, the Rural Electrification Administration, and the Treasury loan to the United Kingdom. Disbursements of loans in foreign currencies are estimated at \$137 million. Allowing for these adjustments, together with net expenditures of \$52 million for relatively minor credit programs, net budget expenditures for loans will amount to an estimated \$1,444 million.

Gross disbursements for 1958 will be somewhat lower than in 1957, primarily as a result of decreased expenditures for the Federal National Mortgage Association, the Commodity Credit Corporation and the Export-Import Bank. Repayments in 1958 are also expected to be below the 1957 level. The lower level of activity of the Commodity Credit Corporation results in large part from the soil bank program and increased exports of agricultural commodities.

Current levels of repayments are small when compared with current disbursements in the case of active programs with predominantly long-term loans such as the Rural Electrification Administration, the International Cooperation Administration, or the college housing loan program of the Community Facilities Administration. On the other hand, repayments substantially exceed disbursements in the case of liquidating programs, such as the Reconstruction Finance Corporation and the loan to the United Kingdom, and relatively inactive programs such as loans and advances under the Defense Production Act.

Neither current repayments nor net expenditures provide any measure of the ultimate recoverability of the loans made. As indicated in the detailed statements on individual programs, interest or premiums cover expenses and losses for many programs. In some, the legislative mandates make losses probable from time to time, such as the nonrecourse loans of the Commodity Credit Corporation and the loan-guaranty programs of the Veterans Administration.

LOANS OUTSTANDING AND GUARANTIES IN FORCE

The best index of the level of Federal credit programs over a period of years is provided by the total of their outstanding loans, guaranties, and insurance in force.

Outstanding loans by the end of 1958 are estimated at \$19.6 billion, about \$1.2 billion more than at the end of 1957. Most of the increase over the 3-year period is in investments to finance the secondary market operations of the Federal National Mortgage Association and in foreign loans by the Export-Import Bank and the International Cooperation Administration. About one-half of the loans outstanding are to foreign borrowers, including the loan of \$3.4 billion to the United Kingdom, loans of \$3.4 billion by the Export-Import Bank, and \$2.3 billion by the International Cooperation Administration.

SPECIAL ANALYSIS F—Continued

FEDERAL CREDIT PROGRAMS—Continued

TABLE 4.—*Outstanding loans, guaranties and insurance for major Federal credit programs classified by agency or program*

Agency or program	1956 actual		1957 estimate		1958 estimate	
	Direct loans and investments	Guaranties and insurance	Direct loans and investments	Guaranties and insurance	Direct loans and investments	Guaranties and insurance
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$2,657		\$3,241		\$3,426	
Urban Renewal Administration	40	\$49	48	\$84	43	\$134
Community Facilities Administration	113		199		360	
Federal Housing Administration	257	19,889	281	22,388	298	25,487
Public Housing Administration	93	2,818	108	3,056	109	3,469
Veterans Administration	512	27,145	620	30,775	751	34,675
Department of Agriculture:						
Rural Electrification Administration	2,412		2,550		2,710	
Farmers' Home Administration	779	135	853	158	967	172
Commodity Credit Corporation	1,733	586	1,433	640	1,427	638
Department of Commerce: Maritime activities		13		214		428
Expansion of defense production	311	384	203	385	121	385
Small Business Administration	84	31	181	42	237	52
Treasury Department:						
Reconstruction Finance Corporation liquidation	116	11	53	7	41	5
Loan to United Kingdom	3,519		3,470		3,420	
Export-Import Bank	2,645	36	3,098	29	3,401	26
Department of State: International Cooperation Administration	1,845		2,036		2,256	
Total by type of assistance	17,116	51,097	18,374	57,778	19,567	65,471
Grand total	68,213		76,152		85,038	

Guaranties and insurance in force are estimated to increase to \$65 billion by the end of 1958. The increase of nearly \$14 billion in the 2 years since the end of 1956 reflects primarily increased guaranties of mortgage loans by the Veterans Administration and the Federal Housing Administration. These two programs account for more than 90 percent of all outstanding guaranties and insurance, and most of the remainder are long-term obligations of the Public Housing Administration.

The amounts shown include both the guaranteed and unguaranteed portion of outstanding loans in order to give a clearer picture of the economic impact of these programs and to tie in better with banking statistics. They do not, however, indicate the estimated contingent liability of the Federal Government, which is shown in table 6. The major program on which the contingent liability differs materially from the principal amount of the loans is the veterans' loan-guaranty program. By the end of 1958, the Government liability will be about \$15.7 billion lower than the outstanding amount of such loans.

The probability that the Government will be called upon to take over any substantial part of the guaranteed or insured portion of outstanding loans is small, except possibly in a national financial emergency. Sizable assets are available to minimize any potential losses. Moreover, in the case of most mortgage insurance programs charging premiums, income in the past has been sufficient not only to cover expenses and current losses, but also to build up substantial reserves.

NEW COMMITMENT AUTHORITY

New commitment authority includes any additional loan or loan guaranty authority made available or recommended. There are several kinds of new commitment authority. Budget authorizations are those included in budget totals of new obligational authority; they consist either of appropriations or of authorizations to expend

from public debt receipts. Other authorizations, which do not normally give rise to budget expenditures, consist of insurance and guaranty authorizations and conditional authorizations which become available only under specified conditions.

Table 5 summarizes new commitment authority of the 12 major credit programs which will receive additional authority during the period. New commitment authority for 1958 is estimated at \$6.7 billion, compared to \$9.6 billion in 1957 and \$12.3 billion in 1956. New authority required for the Federal Housing Administration in 1957 and 1958 is sharply below 1956 because the level of commitments has been running lower than anticipated, causing a large carryover of unused authority. No new borrowing authority is requested in the budget for the Commodity Credit Corporation in 1958. About half of the new authority is required for guaranties and insurance of housing loans by the Veterans Administration.

TABLE 5.—*New commitment authority for major Federal credit programs classified by type of authorization, agency, or major program*

Agency or program	1956 actual		1957 estimate		1958 estimate	
	Budget authorizations	Other	Budget authorizations	Other	Budget authorizations	Other
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$250		\$450		\$600	
Community Facilities Administration	300		250		175	
Federal Housing Administration		\$4,559		\$1,228		\$28
Public Housing Administration		351		467		500
Veterans Administration:						
Direct loans	93		150			
Loan guaranties and insurance		3,790		3,245		3,339
Department of Agriculture:						
Rural Electrification Administration	235	100	269	45	209	30
Farmers' Home Administration	173	125	686	125	260	125
Commodity Credit Corporation	1,998		2,200		1,240	
Expansion of defense production:						
Guaranties of defense production loans		94		97		103
Small Business Administration	45	18	100	27	75	21
Department of State: International Cooperation Administration	211		275		(¹)	
Total by type of authorization	3,305	9,037	4,330	5,234	2,559	4,146
Grand total	12,342		9,614		6,705	

¹ Not available.

New commitment authority for most credit programs is provided by Congress in the basic legislation rather than in appropriation acts. For example, the lending authority of the Export-Import Bank, the borrowing authority of the Commodity Credit Corporation and the Public Housing Administration, and the various mortgage insurance authorizations of the Federal Housing Administration are all prescribed in the statutes governing these programs. Since new commitments can generally be financed out of uncommitted balances of prior authorizations, or out of funds made available by collections on outstanding loans, requests for new commitment authority in any one year are limited to relatively few credit programs. For example, in 1958, new commitment authority is requested for only five major programs—the Rural Electrification Administration, the Farmers' Home Administration, the Small Business Administration, the Community Facilities Administration, and the Federal National Mortgage Association; in addition, restoration of capital impairment is requested for the Commodity Credit Corporation.

In several important cases, the authority provided by the basic statute is indefinite. The most important

SPECIAL ANALYSIS F—Continued
FEDERAL CREDIT PROGRAMS—Continued

examples are guaranties and insurance of loans by the Veterans' Administration, guaranties of defense production loans under section 301 of the Defense Production Act, and indirect guaranties of local housing authority obligations issued on the security of annual contribution contracts of the Public Housing Administration. In these cases, the tabulations show new authorizations equal to the net amount of the guaranteed or insured portion of new commitments.

A second type of new authority indefinite in amount exists in the case of loan programs where the authority can also be used for grants, purchase commitments, or other nonlending purposes. Major examples during the 3-year period are the programs of the Commodity Credit Corporation and the International Cooperation Administration. In these programs all the new obligational authority provided could legally be used for loans, but is not likely to be so used. Dollar loans by the International Cooperation Administration in the 3-year period account for only a relatively small part of the total assistance program, so that it would be misleading to include the total amount of the mutual security program as new obligational authority for loan assistance. The data, therefore, show amounts for new authority adequate to finance estimated new commitments. Loans and guaranties by the Commodity Credit Corporation account for a substantial part of its program. Its total new obligational authority is, therefore, included, even though some of it will be used for nonlending purposes.

STATUS OF CREDIT AUTHORITY

Unlike most other Government programs, commitment authority for the major credit programs is not normally provided for a single year, but remains available in most instances until utilized or until the statutory authority for the program expires. Hence, with only a few exceptions, the existing authority represents the cumulative total of amounts made available in prior years.

Cumulative net authority.—Three major types of commitment authority have been provided for Federal credit programs. A majority of the major programs operate on

a revolving-fund basis, that is, collections on outstanding loans and expirations of insurance commitments permit re-use of the original authority. Limitations on such programs are ordinarily in terms of maximum amounts of loans outstanding, maximum borrowings from the Treasury, or maximum amounts of insurance or guaranty liability. Leading examples include all lending programs of Government corporations and the insurance programs of the Federal Housing Administration.

In the case of several noncorporate loan and loan insurance programs, a maximum limitation is placed upon the total volume of loans and loan insurance commitments. Funds collected on such loans and expirations of such insurance are not available for re-use. Typical examples are the direct loan program of the Rural Electrification Administration and the direct loan and insurance program of the Farmers' Home Administration.

A few programs are not governed by any specific dollar limitations. These are limited only indirectly by the provisions of the statute or of the agency's regulations governing eligibility for Federal credit assistance. The amount committed depends primarily on the number of applications. The most important example is the loan guaranty and insurance program of the Veterans Administration. The loan guaranties authorized under section 301 of the Defense Production Act are also not specifically limited.

In the case of both the Commodity Credit Corporation and lending programs under the Defense Production Act, loans are financed from obligational authority which also finances nonlending programs. For the purposes of this analysis, the net authority available at the beginning of the year for these loan programs is set equal to the total available authority after deducting authority committed for nonlending programs. An exception is made for the International Cooperation Administration, because its dollar loans account for only a small and indefinite part of the total assistance given under the mutual security program in recent years and in 1958. Its authority at the beginning of the year is, therefore, shown as equal to loans outstanding and undisbursed commitments at the beginning of the year.

TABLE 6.—Status of credit authority for major Federal credit programs classified by agency or program
[In millions]

	1956 actual	1957 estimate	1958 estimate								
			1958 total	Housing and Home Finance Agency	Veterans Admin- istration	Depart- ment of Agricul- ture	Depart- ment of Commerce	Expansion of defense production	Small Business Admin- istration	Treasury Depart- ment	Export- Import Bank and Depart- ment of State
Cumulative net commitment authority at beginning of year:											
Definite limitation	\$49,355	\$53,026	\$55,507	\$37,635	\$731	\$6,989	\$1,000	\$510	\$211	\$3,531	\$4,900
Indefinite limitation	17,343	20,673	23,455	2,520	17,811			412	43		2,369
New commitment authority during year:											
Definite limitation	7,857	5,478	2,714	775		1,864			75		
Indefinite limitation	4,485	4,156	3,991	528	3,339			103	21		
Adjustments	-5,342	-4,352	-3,689	-245	-1,472	-1,713		-141	-23	-64	-31
Cumulative net authority at end of year	73,699	78,902	81,979	41,513	20,409	7,141	1,000	884	327	3,467	7,238
Cumulative charges against authority:											
Loans and investments:											
Outstanding	17,116	18,374	19,567	4,236	751	5,104		121	237	3,461	5,657
Undisbursed commitments	2,101	3,080	3,638	1,453	115	718			21	1	1,330
Guaranties and insurance:											
In force	38,765	43,899	49,692	29,090	19,000	810	426	297	38	5	26
Commitments outstanding	5,049	4,041	3,944	3,236	543	4	40	111	10		
Total charges against authority	63,031	69,393	76,841	38,015	20,409	6,636	466	529	306	3,467	7,013
Uncommitted authority, end of year	10,667	9,508	5,138	3,498		505	534	355	21		225

SPECIAL ANALYSIS F—Continued

FEDERAL CREDIT PROGRAMS—Continued

Credit authority available at the beginning of 1958 is estimated at \$79 billion (table 6). New commitment authority of \$6.7 billion is estimated to become available during the year. On the other hand, estimated expirations, certain repayments, and other reductions in outstanding authority amount to \$3.7 billion. The net authority available at the end of 1958 is, therefore, estimated at \$82 billion.

Charges against authority.—In addition to the \$69.2 billion of outstanding loans and guaranties (shown in detail in table 4 but excluding here the portion of private loans not guaranteed or insured by the Federal Government), charges against the available authority include undisbursed commitments. These are expected to total \$7.6 billion on June 30, 1958, for loans and guaranties together.

Uncommitted authority.—For major Federal credit programs as a whole, commitment authority at the end of 1958 is estimated to exceed charges against the authority by \$5.1 billion. Of this unused authority, 68 percent is accounted for by several programs administered by the Housing and Home Finance Agency, including \$1.1 billion by the Federal Housing Administration. A reduction of \$3.2 billion in uncommitted authority of the Federal Housing Administration accounts for the major part of the decline of uncommitted authority between 1957 and 1958.

Since the indefinite authority of loan guaranty programs not subject to specific limitations is shown as equal to charges against the authority, the total uncommitted authority in table 6 does not reflect the fact that these guaranty programs could be expanded substantially under presently available authority. However, nearly 70 percent of the cumulative authority is subject to definite limitations.

Since this analysis is limited to major active or liquidating credit programs, substantial amounts of uncommitted standby authority of other programs are excluded. The most important examples are the \$3 billion borrowing authority for the Federal Deposit Insurance Corporation, \$1 billion for the Federal home-loan banks, and \$750 million for the Federal Savings and Loan Insurance Corporation. These are unlikely to be used unless a national financial emergency occurs.

QUASI-PUBLIC CREDIT PROGRAMS

The Federal Government also has a measure of responsibility for the credit programs of certain mixed-ownership corporations and other public agencies operating in whole or in part with private funds. The most important are the Federal intermediate credit banks, the banks for cooperatives, the Federal land banks, the Federal home-loan banks, and the Federal Reserve banks. The secondary mortgage market activity of the Federal National Mortgage Association is discussed with the other programs of the Association in the next section.

The 12 regional banks for cooperatives make loans to agricultural cooperatives. Most of the stock in the banks is still owned by the Federal Government and the banks are supervised by the Farm Credit Administration. Loans outstanding at the end of 1956 were \$349 million, compared to \$322 million in 1955.

The 12 Federal land banks are now privately owned, but are sponsored by the Government and operate under the supervision of the Farm Credit Administration. These banks provide mortgage credit to farmers at

relatively low interest rates through individual national farm loan associations. The amount of loans outstanding at the end of 1956 was \$1,638 million, compared with \$1,408 million a year earlier.

The 11 Federal home-loan banks are also now privately owned, but are supervised by the Federal Home Loan Bank Board and have authority to borrow \$1 billion from the Treasury, if necessary. These banks make both short-term and long-term advances to member savings and loan associations on the security of home mortgages or Treasury obligations, as well as unsecured short-term loans. Advances outstanding on June 30, 1956, were \$1,173 million, compared with \$1,017 million on June 30, 1955.

All of the stock in the 12 Federal Reserve banks is provided by the member banks, but the policies of the Federal Reserve System are controlled by the presidentially appointed Board of Governors. Moreover, the Reserve banks, after paying 6-percent dividends to the member banks, pay 90 percent of their remaining profits to the Treasury, and their entire surplus reverts to the Treasury in the event of liquidation. As part of their normal central banking functions, the Reserve banks stand ready to make short-term discounts and advances for member institutions and also have a small program of direct loans to industry. The amount of discounts, advances, and industrial loans outstanding on June 30, 1956, was \$233 million, with discounts and advances low on that date. By October 31, they were \$706 million.

The 12 Federal intermediate credit banks extend credit to production credit associations and privately capitalized farm-lending institutions by discounting short-term notes to help finance the production needs of farmers. To finance their operations, the banks sell short-term debentures to the public. The banks may have obligations outstanding of not more than 10 times their capital and surplus. In accordance with the Farm Credit Act of 1956, the production credit corporations were merged in the Federal intermediate credit banks as of January 1, 1957, and provision was made for the retirement of Government capital in the banks and for their eventual ownership by the production credit associations. Because of this change in financial structure, the financial transactions of the banks are being omitted from the budget expenditure figures starting January 1, 1957. For the last half of the fiscal year 1957 and for 1958, these transactions are recorded as trust fund transactions. In 1958, loans and discounts of these banks are estimated at \$2,164 million, about \$100 million more than in 1957 and \$200 million more than in 1956. Repayments in 1958 are estimated at \$2,121 million.

MAJOR AGENCIES OR PROGRAMS

HOUSING AND HOME FINANCE AGENCY

Major credit programs administered by five constituents of the Housing and Home Finance Agency are included in this analysis. In addition, there are a number of minor programs—most of which are in liquidation—which are administered in the Agency.

Federal National Mortgage Association.—Under the Housing Act of 1954, the Federal National Mortgage Association was reconstituted as three fiscally independent activities—special assistance functions, management and liquidating functions, and secondary market operations—under a single management.

SPECIAL ANALYSIS F—Continued

FEDERAL CREDIT PROGRAMS—Continued

The special assistance activity is intended to assist groups or areas otherwise unable to obtain private financing and to help prevent declines in housing activity. Authority is provided to make advance commitments, and to purchase \$200 million in whole mortgages, and \$100 million in immediate participations of 20 percent in mortgages. Legislation is being proposed to make the participation authority available for the purchase of whole mortgages and to increase the authorization by \$200 million. This authority in 1957 and 1958 will be largely directed toward supporting mortgages on housing in urban renewal areas. In addition, \$200 million commitment authority for mortgages on military family housing and \$50 million for cooperative housing was authorized by the Housing Amendments of 1955. An increase of \$50 million for cooperative housing is proposed for 1958. Total new commitments under the special assistance functions in 1958 are estimated at \$437 million.

The management and liquidating functions of the Association consist of the liquidation of the mortgages of the predecessor association. No new commitments can be made and mortgage purchase authority expires as mortgages are sold or repaid. Authority is provided to substitute private financing for Treasury borrowing through the sale of unguaranteed debentures. Purchases under outstanding commitments will be completed in 1957. The outstanding mortgage portfolio at the end of 1958 is estimated at \$2,077 million compared with \$2,287 million at the end of 1957.

The secondary mortgage market operations of the Association are partially privately financed. This unit helps to make mortgage funds available throughout the country at market rates of interest. It may purchase only Government insured and guaranteed mortgages meeting the usual standards of private investors, and its operations must be self-supporting. The activity was financed initially by a Government stock subscription of approximately \$93 million; private mortgage sellers are also required to buy stock, with provision for ultimate retirement of the Government stock. The Association may issue nonguaranteed debentures; the Secretary of the Treasury may purchase up to \$1 billion of these. Legislation is being proposed to increase the Government stock subscription by \$100 million and the Treasury borrowing authority by \$700 million. It is estimated that at the end of 1958 the Association's portfolio of mortgages will total \$1,958 million. Of this, \$1,095 million will be financed from preferred stock purchased by the Treasury and temporary Treasury loans, which are included in budget expenditures, primarily in 1957. In 1958, the bulk of the mortgage purchases will be financed from debentures and stock sold privately, and are, therefore, reflected in trust expenditures.

Urban renewal administration.—Under the Housing Act of 1954, the Housing and Home Finance Administrator is authorized to make loans and grants to local public agencies for the planning and execution of slum clearance and urban renewal projects. Loans are made to cover the cost of project planning, and for the temporary financing of project development. In addition, private temporary loans may be guaranteed through the pledge by local agencies of the Federal loan commitment. Borrowing authority of \$1 billion is available for these purposes.

The level of loan activity is determined primarily by the number of projects in the development stage. Planning has been completed in an increasing number of communities, and many projects have entered the actual development stage, so that financing needs are increasing. New loan commitments are estimated to increase from \$83 million in 1956 to \$200 million in 1957 and \$297 million in 1958. Net loan expenditures are expected, however, to remain at relatively low levels because of the short-term nature of the loans, and the increasing use of guaranteed private financing in lieu of direct Federal loans.

The current interest rate on these loans is $3\frac{1}{4}$ percent. Administrative expenses are financed from a separate appropriation.

Community facilities administration.—The Housing Act of 1956 increased from \$500 million to \$750 million the authorization for long-term loans to colleges and universities for the construction of dormitories and related facilities. The sharply increased demand for these loans, brought about by the reduction in interest rates under the Housing Amendments of 1955 is expected to continue through 1958. As a result, loan commitments will increase substantially from \$81 million in 1956 to \$252 million in 1957 and \$289 million in 1958. The current interest rate on these loans is 2½ percent, well below current private market levels for even tax-exempt obligations of this type. Legislation is being proposed in this budget to provide an additional \$175 million of authority and permit increases in interest rates sufficient to cover the cost of money to the Treasury and to make loans more attractive to private investors.

The Housing Amendments of 1955 authorized \$100 million for a new program of loans to local governments for public facilities, such as water and sewage systems. Preference is given to communities with a population of less than 10,000. Commitments under this program are estimated at \$16 million in 1957 and \$20 million in 1958. Interest rates are required to cover all expenses of the program. Under present market conditions, interest rates have been set at 4 percent for general obligation bonds of 30-year maturity and 4½ percent for revenue bonds of the same period, with upward or downward adjustments for variation in the maturity period. It is expected that these interest rates will permit private refinancing during the 2-year period of Government commitments totaling \$2 million.

Federal Housing Administration.—The Federal Housing Administration is authorized to insure against default (a) the full principal amount of a wide variety of mortgage loans on new and existing housing, and (b) up to 90 percent of the principal amount on unsecured home-improvement loans. The basic program of insuring loans for 1- to 4-family housing accounts for the bulk of mortgage insurance activity, but insurance is also provided for mortgages on rental housing, housing under cooperative ownership, and housing on military reservations and in urban renewal areas. Approximately 16 percent of all outstanding home mortgages are insured by the Administration.

New mortgage insurance commitments are expected to increase in 1957 and 1958 mainly as a result of (1) the liberalization of terms on mortgages on existing housing authorized by the Housing Act of 1956, and (2) the growing activity under the mortgage insurance programs for

SPECIAL ANALYSIS F—Continued

FEDERAL CREDIT PROGRAMS—Continued

housing in urban renewal areas and family housing for the armed services. In 1958 it is estimated that commitments will be made for insurance of mortgages on 626,200 dwelling units and for 1.3 million home-improvement loans.

The Administration's program is fully self-supporting. Insurance premiums, fees, and other income will cover all current expenses and add substantially to the reserve against future losses. In order to maintain the competitive status of insured mortgages relative to other investments, the maximum interest rate has been increased to 5 percent for insured home mortgages and 4½ percent for mortgages on rental housing, exclusive of the insurance premium and service charges.

Public Housing Administration.—Under the Housing Act of 1949, the Public Housing Administration makes loans and grants to assist local authorities in the construction of low-rent public housing. These loans and grants are made under annual contribution contracts between the Administration and local authorities. The annual contribution contracts provide for (1) loan commitments by the Administration not to exceed 90 percent of project development costs, and (2) the payment of annual Federal contributions over a 40-year period to cover debt service on the bonds used to finance the project permanently.

Loan commitments under annual contribution contracts are either disbursed as direct Federal advances or used to guarantee private temporary loans. Most frequently, a direct Federal advance is made initially and later refunded with guaranteed financing. Ordinarily long-term bonds are sold to private investors prior to completion of construction, and all temporary financing, both direct and guaranteed, is retired. However, under some circumstances, the period of temporary financing may be indefinitely extended. The Administration's borrowing authority for these purposes is \$1.5 billion. Because of the decline in the number of units under construction, the volume of temporary financing, including both public and private loans, will decline during 1957 and 1958.

Prior to completion of construction, the units are permanently financed by the local housing authority through the sale of 40-year serial bonds to private investors. While not directly guaranteed by the Federal Government, these local housing authority bonds are treated in this analysis as guaranteed obligations by virtue of the Government contract to pay annual contributions covering debt service. The outstanding permanent financing is expected to increase from \$2.1 billion at the end of 1956 to \$3 billion by the end of 1958, reflecting the completion and permanent financing of a large number of units started in earlier years.

On direct Federal loans, local authorities are charged at the present time an interest rate of 3¼ percent. In the past year interest rates on private temporary loans have averaged slightly over 1.5 percent and on long-term loans have ranged between 2.35 and 2.55 percent, depending primarily on variations in market rates of interest.

VETERANS ADMINISTRATION

This analysis includes the loan guaranty and insurance programs, and the direct housing loan program authorized under the Servicemen's Readjustment Act of 1944, as amended. It excludes minor lending activities of the Veterans Administration, such as policy loans made by

the veterans' life insurance funds and a few very small inactive programs.

Loan guaranties and insurance.—The Administrator of Veterans' Affairs guarantees housing, business, and farm loans made by private lenders to veterans of World War II and the Korean conflict. By June 30, 1956, approximately 4,811,000 loans of all types had been guaranteed, of which 94 percent were for homes, 5 percent for businesses, and 1 percent for farms; housing loans currently account for nearly 99 percent. It is estimated that annual loans guaranteed will decrease from 607,000 in 1956 to 540,000 in 1958. This decline reflects a somewhat slower pace of new home construction and the strong competition for funds in the private mortgage market. There is no statutory limit on the aggregate amount of the loans.

The maximum interest rates on guaranteed and insured loans are designated by the Administrator of Veterans' Affairs, within limits set by law. The current rates of 4½ percent on guaranteed loans and 5.7 percent on most insured loans represent the statutory maximum. An increase in the statutory limit is recommended by the administration.

Under existing legislation the Government is liable for all losses on most loans up to 60 percent of the outstanding principal amount, or \$7,500, whichever is less. No charge is made by the Government for its guaranty. Administrative expenses are paid from the general operating expenses appropriation of the Veterans Administration and claims are paid from a general appropriation for veterans' readjustment benefits. Net losses on claims paid up to June 30, 1956, amounted to about 32 million dollars, or less than 1 percent of loan guaranties and insurance made since the program's inception.

The loan-guaranty program for World War II veterans expires on July 25, 1958.

Direct housing loans.—In areas where the guaranty program is ineffective because of lack of private funds at 4½ percent interest, the Administrator of Veterans' Affairs may make loans directly to veterans for the purchase, construction, or improvement of homes (including farm housing) at 4½ percent interest. An increase in the interest rate in line with the proposed increase on guaranteed loans is recommended. New commitments for direct loans in 1957 and 1958 are expected to exceed the number made in 1956, primarily because of the reduced availability of private mortgage funds. It is estimated that 125,000 direct loans will have been made by June 30, 1958, when the program expires.

DEPARTMENT OF AGRICULTURE

Three major credit programs of the Department of Agriculture are included in this analysis.

Rural Electrification Administration.—Since 1935, the Rural Electrification Administration has been making loans with 35-year maturities, chiefly to cooperatives, to finance construction of electrical distributions, transmissions, and generating facilities to serve rural areas without central station service. Since 1950, similar loans have been made to finance construction and improvement of rural telephone systems.

New obligational authority is provided annually in the budget to finance these programs. New commitments for 1958 will be \$265 million, the same as for 1957. Most of the loan disbursements in 1958 will arise from commit-

SPECIAL ANALYSIS F—Continued

FEDERAL CREDIT PROGRAMS—Continued

ments made in previous years; undisbursed commitments of \$688 million at the end of 1958 will be the basis for disbursements for the following 2½ years, on the average.

Interest rates are set by statute at 2 percent, substantially below the present cost of long-term money to the Treasury of about 3½ percent. Administrative expenses are financed by a separate appropriation. Collections of principal and interest are deposited in miscellaneous receipts of the Treasury.

Farmers' Home Administration.—The Farmers' Home Administration makes loans to farmers unable to obtain credit on terms within their means from other sources for operating expenses and crop production, farm ownership and improvement, farm housing, and for soil and water conservation activities. Loans are intended to strengthen the family-type farm and encourage better farming methods. These loan programs are financed by annual authorizations. The Administration may also insure a maximum of \$100 million a year in long-term mortgage loans under the farm ownership program and a maximum of \$25 million a year under the soil and water loan program.

New direct loans are expected to amount to \$310 million in 1958, compared with \$266 million in 1957. The increase includes a rise of \$20 million in loans for farm housing and other farm buildings under the authority provided by the Housing Act of 1956. A supplemental appropriation of \$26 million for the farm ownership loan program is recommended for 1957 to permit an increase in the refinancing of farm debts under the expanded loan authority enacted last year.

The interest rate on farm operating loans, which constitute the largest number of direct loans, is 5 percent; this is the legal maximum. Interest rates on direct farm ownership and soil and water loans have been set at 4½ percent. The maximum rate stipulated by law for farm ownership loans is 5 percent; no maximum rate is set for the soil and water loans. However, since these loans are interchangeable to some extent, it is not feasible to establish interest rates on soil and water loans that differ materially from those on farm ownership loans. The Secretary of Agriculture has authorized interest rates on insured farm ownership and soil and water loans at 4½ percent, of which one-half percent represents insurance premiums and one-half percent a charge for administration. Interest rates on farm housing loans have been set at 4 percent, the maximum rate provided by law.

Administrative expenses of the Farmers' Home Administration are covered by separate appropriations. Collections of interest and principal go into miscellaneous receipts of the Treasury.

The Farmers' Home Administration also administers a revolving fund for which emergency loans may be made to farmers and stockmen suffering from production disasters and unable to obtain credit on reasonable terms from other sources. The interest rate is 3 percent on all loans except special livestock loans on which the rate is 5 percent. New commitments in 1958 are expected to be below 1956 and 1957 and repayments are estimated to exceed disbursements in both 1957 and 1958.

Commodity Credit Corporation.—In carrying out the Government's program of supporting prices of agricultural commodities, the Commodity Credit Corporation makes direct loans to farmers and guarantees loans made by

private lending agencies. Loans and guaranties enable farmers to market their commodities in an orderly manner and secure prices for such commodities in line with the standards set forth in law. Loans are backed by commodities and borrowers may discharge their obligations without personal liability by turning over pledged commodities, to the Corporation. These forfeitures of collateral are treated as repayments of loans in this analysis. The Corporation also makes loans for the construction or improvement of farm-storage facilities.

The Corporation's borrowing authority was increased from \$12 billion to \$14.5 billion in 1957. No increase is being requested for 1958. However, a \$1,240 million appropriation will be needed to restore the impairment of the Corporation's capital resulting from 1956 operations of the price support and related programs. New loan and loan guaranty commitments in 1958 are estimated at \$2,538 million, which is \$380 million less than the estimate for 1957. This reduction is accounted for primarily by the new soil bank program and increased exports of agricultural commodities. Repayments of direct loans in 1958 are estimated at \$2,329 million, virtually the same as estimated disbursements.

There are no statutory limits on interest rates. Interest rates on 1956 crop loans will be continued at 3½ percent. This rate is charged the borrower only if the loan is repaid in cash; if repaid by surrender of collateral, no interest is charged. In the case of guaranties, the private lender receives interest at the rate of 2¼ percent, plus service charges.

DEPARTMENT OF COMMERCE

The Secretary of Commerce is authorized by title XI of the Merchant Marine Act of 1936, as amended, to insure private construction loans and mortgages on most types of cargo and passenger-carrying vessels. The objective of this program is to facilitate private financing of construction, conversion, or reconditioning of vessels. The mortgages or loans may not exceed 75 percent of the cost to the purchaser of vessels built with Federal subsidies and 87½ percent of the construction costs of non-subsidized vessels. The aggregate unpaid principal amount of insured mortgages and loans outstanding at any one time may not exceed \$1 billion.

Recent amendments to title XI increased the authority of the Government to insure ship mortgages from 90 percent to 100 percent of the amount of the mortgage. As a result of these amendments and the worldwide shortage of shipping capacity, it is estimated that insured loans in force will increase from \$18 million in 1956 to \$466 million in 1958.

The maximum interest rate on guaranteed loans is set by statute at 5 percent, but the Secretary of Commerce has authority to increase the limit to 6 percent if private financing is not available at a lower rate. Insurance premiums are ⅓ of 1 percent per annum on construction loans and ¼ of 1 percent per annum on mortgage loans. No default has been incurred since the inception of the program.

EXPANSION OF DEFENSE PRODUCTION

Under the Defense Production Act, the President is authorized to make loans or advances or to guarantee loans for expansion of defense production. Numerous agencies participate in these programs.

SPECIAL ANALYSIS F—Continued

FEDERAL CREDIT PROGRAMS—Continued

Loan guaranties.—Under section 301 of the Defense Production Act, the three military departments of the Department of Defense, the Departments of Commerce, the Interior, and Agriculture, the Atomic Energy Commission, and the General Services Administration are authorized to guarantee loans by public or private financing institutions to defense contractors and subcontractors. The Federal Reserve banks act as fiscal agents for the guaranties of private loans, and the procedure is governed by the Federal Reserve Board's regulation V. No specific limitation is placed on the amount of loan guaranties.

From the beginning of the program in September 1950 to the end of December 1956, nearly 1,500 V-loans, totaling \$2.8 billion were authorized by the procurement agencies. More than 95 percent of the guaranties have been authorized by the Departments of the Air Force, the Army, and the Navy, primarily to speed the production of aircraft and aircraft parts, electronics and communication equipment, tanks, weapons, and ammunition. Guaranties by the General Services Administration to expand production of basic minerals and metals and machine tools account for nearly all of the remainder.

To cover administrative expenses and possible losses, charges are made for guaranties, the rate depending upon the proportion of the loan guaranty. This proportion has averaged about 75 percent. The guaranteed portion of loans must be purchased by the procurement agency upon request of the lender. So far, income has substantially exceeded expenses. There is no statutory limit on the interest rate which financing institutions may charge, but a maximum interest rate of 5 percent and a commitment fee of one-half to 1 percent have been set administratively.

Loans and advances.—Under section 302 of the Defense Production Act, the President is authorized to make direct loans or to participate in private loans for the expansion of industrial capacity, development of technological processes, or production of essential materials. The President has delegated this authority for loans to domestic borrowers to the Treasury Department and for foreign loans to the Export-Import Bank. The authority is available for borrowers upon certification by the appropriate defense agency as to essentiality to the defense effort. Most of the loans have been made to assist in expanding the production of copper, steel, and other basic minerals and metals. Loans by the Export-Import Bank account for only a relatively small part of the total. No new commitments are expected in 1957 and 1958, since most of the planned expansion is already underway. It is anticipated that a large part of the loan portfolio will be sold or refinanced privately in 1957 and 1958, thus reducing loans and commitments outstanding from \$230 million in 1956 to \$73 million by the end of 1958.

Under section 303 of the same act, the General Services Administration has made advances on purchase commitments for strategic minerals and metals and industrial equipment. No new advances are expected in 1957 and 1958.

There is no statutory limitation on the interest rate. Interest rates charged on both loans and advances have been generally 5 percent. No ultimate net cost is expected.

SMALL BUSINESS ADMINISTRATION

The Small Business Administration was created in 1953, and is authorized to make loans to small businesses and to victims of natural disasters. The legislative authority for these programs expires on June 30, 1957, but the President has requested its extension.

Loans to small businesses are authorized up to a total of \$150 million outstanding at any one time, but an increase is recommended so that loans may continue to be made in 1957. The maximum loan to any one borrower is \$250,000, and maximum maturity generally 10 years. Loans may be made only if financial assistance is not available from private sources on reasonable terms and only if there is reasonable assurance of repayment. Moreover, direct loans are made only when it is not possible to secure participation from private banks. More than two-thirds of the loans made so far have been made jointly with private banks. The law provides for interest to be charged at the going local rate up to a maximum of 6 percent, which is the current rate. It is anticipated that 4,200 business loans will be made in 1957 and 3,200 in 1958. These figures compare with 1,915 in 1956.

The Administrator also has broad authority to make loans to victims of floods or other disasters. Generally, his policy is to designate disaster areas, residents of which are eligible for special financial assistance. There is no limit on the amount that may be loaned to each borrower, but the aggregate outstanding at any one time may not exceed \$125 million. Loans for housing may have maturities up to 20 years, but other loans are limited to 10 years. Interest rates on disaster loans are set by law at 3 percent. The Small Business Administration also administers disaster loans previously made by the Reconstruction Finance Corporation.

Appropriations of \$175 million have been made to finance the small business and disaster loan programs since the agency was established. Additional amounts totaling \$50 million in 1957 and \$75 million in 1958 will be needed to finance anticipated loans.

TREASURY DEPARTMENT

The only credit programs administered by the Treasury Department and included in this analysis are the liquidation of Reconstruction Finance Corporation loans and the 1947 loan to the United Kingdom. The Treasury Department is also authorized to make civil defense loans, up to \$250 million outstanding at any one time, upon certification by the Federal Civil Defense Administrator; however, no new commitments for civil defense loans are anticipated for 1957 and 1958.

Reconstruction Finance Corporation.—The Reconstruction Finance Corporation Liquidation Act provided for termination of the Corporation on June 30, 1954. The Corporation's foreign loans were transferred for liquidation to the Export-Import Bank, certain mortgages to the Federal National Mortgage Association, disaster loans to the Small Business Administration, and business and public agency loans to the Treasury Department. During the 3-year period from June 30, 1955, to June 30, 1958, business and public agency loans and commitments will have been reduced from \$232 million to about \$42 million.

SPECIAL ANALYSIS F—Continued

FEDERAL CREDIT PROGRAMS—Continued

Loan to United Kingdom.—A loan of \$3,750 million was made to the United Kingdom in 1947 and 1948. It is a 50-year loan at 2 percent interest. Repayments of principal have been made on schedule, beginning in 1951. They are deposited directly in miscellaneous receipts and are not available for new loans.

EXPORT-IMPORT BANK OF WASHINGTON

The Export-Import Bank is the principal foreign lending agency of the Government. Its total loan and loan guaranty authority is \$4.9 billion; in addition, it has \$100 million of authority to insure American exporters against certain risks of expropriation and confiscation. Its major goal is the expansion of trade between the United States and foreign countries. It extends loans to finance American exports and imports and the development of sources of strategic materials, and to promote the economic development of underdeveloped countries. The Bank also makes loans to foreign governments to meet emergency needs due to war, disaster, or reconstruction which would disrupt the normal flow of trade with the United States. The Bank also acts as an agent for the International Cooperation Administration in the Department of State in administering loans and has made a limited number of loans under authority of the Defense Production Act.

The Bank, in order to secure maximum private participation in its loan projects, emphasizes guaranties of private loans, rather than making loans directly. The high level of domestic demand for private capital currently restricts the success of these efforts. The Bank acts to supplement private capital and will not finance projects or exports for which private financing is normally available.

Interest rates and other loan terms are set by the Bank upon advice of the National Advisory Council on International Financial and Monetary Problems. In general, the Bank charges 2 percent more than the yield of United States Government securities with comparable maturities; rates on long-term unguaranteed loans are usually somewhat higher. Loan maturities vary from 12 or more months

on export credits to a number of years on developmental loans. Losses have been small and income is more than adequate to cover costs; reserves amounting to \$405 million on June 30, 1956, have been set aside for future contingencies. Annual dividends are being paid to the Treasury at the rate of 2½ percent on capital stock.

DEPARTMENT OF STATE

The International Cooperation Administration in the Department of State directs the bulk of the loans extended under the mutual security program, the authority for which is in the President. The Administration and its predecessor organizations—the Foreign Operations Administration, the Mutual Security Administration, the Economic Cooperation Administration and the Technical Cooperation Administration—have made loans to foreign governments as part of a broad program to assist in the restoration of economic stability and to promote the economic development of underdeveloped areas in the free world. Extension of authority for the program is recommended, but new loan commitment figures are not available.

More than half of the loans were made during 1949, after passage of the Foreign Assistance Act of 1948. Most of the loans are administered by the Export-Import Bank as agent for the International Cooperation Administration. The earlier loans, made primarily to assist the European countries in the restoration of their economies subsequent to World War II, are generally for a period of 28 years. Current mutual security loans generally are for a period of 40 years, and basic materials development loans are for 10 to 20 years.

Interest rates are determined by the Administration upon advice of the National Advisory Council on International Monetary and Financial Problems. Most of the older loans carry an interest rate of 2½ percent. In the case of most current loans, the borrower may choose to repay in dollars, paying 3 percent interest, or in local currencies, paying 4 percent. Costs of administering the loans are financed from funds available for the general administration of the agency. The first significant repayments began in 1956.

SPECIAL ANALYSIS G

FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION

Federal construction activities are extensive and involve or affect an important part of the total construction activities of the Nation. They include construction undertaken directly by the Federal Government in connection with its various civil and national security programs; financial aid in the form of loans or grants for construction by States, local governments, cooperatives and nonprofit health and educational institutions serving the public; and aid to housing and other private construction.

Because of the importance of these activities, they are presented in this analysis on an overall basis. Detailed information on each of the Federal programs included is shown separately in parts II and III of this budget under the agency responsible for the program. The tables on pages 1122 to 1126 of this analysis summarize the authorizations and expenditures for direct Federal construction and for grant and loan programs to aid State and local construction. The text, in addition to describing the various Federal public works activities, also describes some of the forms of Federal financial assistance to private construction. The cost of this assistance, however, is not included in the figures on public works expenditures. A reconciliation of the public works expenditures with the major categories of special analysis D, "Investment, operating, and other budget expenditures," is shown on page 1121.

The volume and types of Federal construction vary from year to year as national needs and objectives change. Economic conditions and fiscal policies, the level of construction costs and the magnitude of State, local, and private construction also affect the Federal program. As indicated in the President's budget message, competition for labor, materials, and equipment in the construction industry is very active. Accordingly, while proposals are made in the budget to move forward at a prudent rate with those programs which are urgently needed, some other construction programs have not been recommended, and the head of each agency has been asked to watch closely the timing of construction and to postpone work which can appropriately be deferred.

Direct Federal construction currently constitutes about 7.5 percent of total new construction, and federally aided State and local public works construction represents another 5.5 percent. Most of this public construction is undertaken through private contracting organizations under contracts with Federal, State, or local agencies.

The expenditures shown for public works in this analysis represent disbursements of funds rather than the value of the work put in place during the year. Although such expenditures for a continuing program approximate the value of work put in place on federally owned projects, they include only the Federal portion of the cost of federally aided State and local public works. The non-Federal portion of the total cost of Federal grant programs for public works approximately equals the Federal share, but for individual projects or governmental units this share may vary substantially.

Throughout this analysis, the tables include programs financed from budget accounts and trust funds. For 1956, the Federal-aid highway program is shown under budget accounts; for 1957 and 1958, it is shown under trust funds, in accordance with legislation enacted in the past session of the Congress.

Total expenditures for Federal public works are estimated to increase from \$4.9 billion in 1957 to \$6.3 billion in 1958. This increase is largely due to the greatly enlarged Federal-aid highway program and to increased expenditures for water resources development projects started in earlier years. Under proposed legislation, additional expenditures will also be required for the Federal-aid school program. Other increases will occur in the military program, and as a result of increased construction costs.

TABLE 1.—Combined Federal expenditures for public works

(From budget accounts and trust funds. In millions)

Type	1956 actual	1957 estimate	1958 estimate
Civil public works:			
Budget expenditures:			
Federal projects.....	\$867	\$1,183	\$1,421
Grants to State and local governments.....	889	186	497
Loans to State and local governments (net).....	26	76	131
Trust fund expenditures:			
Federal projects.....	2	1	2
Grants to State and local governments.....		1,137	1,654
Total, civil public works.....	1,784	2,583	3,705
Major national security public works:			
Budget expenditures:			
Military public works.....	2,052	2,037	2,324
Atomic energy and other public works.....	267	245	233
Total, major national security public works.....	2,319	2,282	2,556
Total, civil and national security public works.....	4,103	4,865	6,261

NOTE.—In this and the following text tables nonconstruction costs are excluded; proposed legislation is included. Totals may not add because of rounding.

CIVIL PUBLIC WORKS

"Civil public works," as used in this analysis, are those construction activities of the Federal Government which are required for its civil programs as distinguished from those required for national security programs. These activities normally include such works as structures for the control or utilization of water for various purposes, transportation facilities, such as roads and airports with their associated structures, and buildings for the housing of various public functions. Some of these facilities, such as major flood control, navigation and irrigation developments, veterans hospitals, and public buildings, are undertaken directly by the Federal Government. Other facilities, such as the major highway systems of the country, hospitals for general service to the public, and plants for the treatment of waterborne wastes, are undertaken by State or local governments with financial assistance from the Federal Government.

Table 2 summarizes Federal expenditures for civil public works for 1956, 1957, and 1958, by agency.

SPECIAL ANALYSIS G—Continued

FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION—Continued

TABLE 2.—Summary of expenditures and 1958 new obligational authority for civil public works by agency

[From budget accounts and trust funds. In millions]

Agency	Expenditures			New obligational authority, 1958 estimate
	1956 actual	1957 estimate	1958 estimate	
BUDGET ACCOUNTS				
Corps of Engineers.....	\$406.2	\$456.5	\$521.0	\$521.1
Department of the Interior:				
Bureau of Reclamation.....	124.3	132.7	160.1	163.3
Bonneville Power Administration.....	27.7	24.4	26.5	30.8
Bureau of Indian Affairs.....	22.1	21.8	25.7	30.7
National Park Service.....	21.6	52.5	47.8	49.9
Other.....	25.3	33.2	29.5	25.0
Tennessee Valley Authority.....	62.4	88.6	123.0	36.3
Saint Lawrence Seaway Development Corporation.....	9.2	47.7	48.2	35.0
Bureau of Public Roads.....	770.5	44.1	41.5	32.0
Housing and Home Finance Agency:				
Low-rent public housing:				
Loans.....	237.2	466.0	328.6	-----
Repayments.....	239.0	451.1	329.1	-----
Loans for college housing, public facilities, and other (net).....	17.9	47.0	97.7	181.0
Department of Health, Education, and Welfare:				
Office of Education.....	94.6	67.6	289.3	492.0
Public Health Service and other.....	29.3	57.7	128.6	128.0
Veterans Administration.....	25.8	46.2	36.6	52.3
Department of Agriculture.....	57.5	81.3	113.1	72.1
Civil Aeronautics Administration.....	26.8	87.3	140.1	213.0
General Services Administration.....	17.7	41.2	79.5	91.3
Architect of the Capitol.....	7.0	25.5	33.7	-----
Other.....	38.0	75.7	107.8	140.4
Total, budget accounts.....	1,782.1	1,445.9	2,049.2	2,294.2
TRUST FUNDS				
Bureau of Public Roads.....		1,136.8	1,654.0	2,888.0
Other.....	1.6	.7	1.8	(^b)
Total, trust funds.....	1.6	1,137.5	1,655.8	2,888.0
Total, civil public works.....	1,783.7	2,583.4	3,705.0	5,182.2

^a Deduct,^b Less than \$50,000.

CONTINUING AND NEW WORK

Table 3 classifies those civil public works shown under budget accounts according to whether they will be continuing or newly undertaken in 1958. It indicates the amounts required after 1958 to complete the direct Federal work and grant commitments programmed in the budget.

Expenditures in 1958 for continuing work are estimated at \$1.5 billion, with \$6.2 billion required in later years to complete. Included are a number of direct Federal water resources projects and several programs for the development of other natural resources, such as construction of roads and facilities in the national forests and parks, which will require a number of years to complete, and several Federal-aid programs, which will continue for a number of years.

Expenditures for new projects and programs in 1958 are estimated at \$405 million, with \$1.6 billion required thereafter to complete. A total of 30 authorized water resources projects are recommended for starting in 1958, as well as some small projects costing less than \$400,000 each. Other authorized new work includes 2 veterans hospitals and 2 penal institutions.

Under proposed legislation, a new Federal assistance program for general school construction is recommended. Provision is also made for the Bureau of Reclamation to start construction of the Fryingpan-Arkansas project and to make loans and grants to local groups for the construction of small reclamation projects, for the Tennessee

TABLE 3.—Estimated cost of the 1958 civil public works program, by new and continuing work

[From budget accounts and trust funds. In millions]

Program	Total estimated cost	Cumulative to June 30, 1957	1958 estimate	Required to complete
BUDGET ACCOUNTS				
Continuing work:				
Direct Federal construction:				
Corps of Engineers.....	\$6,986.4	\$3,639.4	\$497.1	\$2,849.9
Bureau of Reclamation.....	3,831.3	2,324.4	144.0	1,362.9
Tennessee Valley Authority.....	1,006.4	861.8	119.9	114.7
Forest Service.....	448.5	146.3	28.4	273.8
National Park Service.....	460.6	105.2	28.7	326.7
Veterans Administration.....	320.9	123.6	35.6	161.7
Bureau of Indian Affairs.....	347.2	112.5	19.7	215.0
Other.....	1,341.3	489.3	339.4	512.6
Total, direct Federal construction.....	14,832.6	7,802.5	1,212.8	5,817.3
Grant commitments:				
Waste treatment facilities.....	50.0	7.0	35.5	7.5
Hospitals and health research facilities.....	444.9	319.4	49.7	75.8
Schools in federally affected areas.....	171.8	59.1	88.5	24.2
Airport and other grants.....	541.6	151.5	87.5	302.6
Total, grants.....	1,208.3	537.0	261.2	410.1
Total, continuing work.....	16,040.9	8,339.5	1,474.0	6,227.4
New projects, features, and commitments in 1958:				
Direct Federal construction:				
Corps of Engineers.....	186.8	2.8	10.0	174.0
Bureau of Reclamation.....	113.4		2.0	111.4
Fryingpan-Arkansas (proposed).....	156.5		1.0	155.5
National Park Service.....	237.2		18.0	219.2
Tennessee Valley Authority.....	2		.2	
Proposed legislation.....	30.0		3.0	27.0
Canal Zone Government: Proposed legislation.....	7.7		4.9	2.8
Other.....	514.6	1.2	130.2	383.2
Total, direct Federal construction.....	1,246.4	4.0	169.3	1,073.1
Grant commitments:				
Hospitals and health facilities.....	54.0		3.0	51.0
Health research and teaching facilities (proposed legislation).....	6.0		1.1	4.9
Waste treatment works.....	50.0		26.5	23.5
Airports.....	63.0			63.0
Office of Education: Schools in federally affected areas.....	35.0		5.8	29.2
School construction—general aid (proposed legislation).....	451.0		185.0	266.0
Corps of Engineers: Partnership projects (proposed legislation).....	10.0		5.0	5.0
Other grants.....	92.8		9.0	83.8
Total, grant commitments.....	761.8		235.4	526.4
Total, new projects, features, and commitments.....	2,008.2	4.0	404.7	1,599.5
Advance planning:				
Corps of Engineers.....	23.7	8.9	8.0	6.8
Proposed legislation.....	1.0		.8	.2
Bureau of Reclamation.....	35.3	22.8	2.6	9.9
General Services Administration.....	109.7	20.3	20.3	69.1
Other.....	23.9	5.9	7.7	10.3
Total, advance planning.....	193.6	57.9	39.4	96.3
Total, continuing, new and advance planning.....	18,242.7	8,401.4	1,918.1	7,923.2
Continuing loan programs:				
Low rent housing: Gross.....			328.6	
Repayments.....			329.1	
Other (net).....			126.6	
New loan commitments:				
Bureau of Reclamation (proposed).....			3.5	
Other.....			1.5	
Total, loans.....			131.1	
Total, civil public works (net), budget accounts.....			2,049.2	
TRUST FUNDS				
Direct Federal construction.....			1.8	
Federal-aid highway grants.....			1,654.0	
Total, civil public works, trust funds.....			1,655.8	
Total, civil public works, budget and trust accounts.....			3,705.0	

^a Deduct,¹ Includes sites as well as planning costs,

SPECIAL ANALYSIS G—Continued

FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION—Continued

Valley Authority to construct a steam-electric generating unit at an existing plant, and for Federal participation in partnership water resources projects.

INVESTIGATIONS AND STATUS OF PLANNED AND AUTHORIZED PROJECTS

Adequate basic data, comprehensive surveys and careful detailed planning are essential for economical design and construction of public works. Effective use of public works for countercyclical purposes also requires that they be planned well in advance. Federal programs designed to meet these objectives are described below. Construction expenditures shown in this analysis include detailed project planning costs but do not include costs of basic data collection and preliminary surveys.

Basic data.—Federal programs for the collection of basic data are designed to serve a wide variety of nationally important engineering and scientific purposes, including the investigation and planning of Federal and other construction projects. In line with the recommendations of the Presidential Advisory Committee on Water Resources Policy, an increase in 1958 appropriations for these programs is proposed. A total of \$66 million is recommended for the general coverage data collection programs, including geodetic control surveys; topographic, geologic, and soil surveys and maps; and the accumulation and processing of hydrologic and meteorologic data. Some of these programs are scheduled several years in advance in accordance with priorities determined by user requirements.

Preliminary surveys and investigations.—Careful preliminary investigations are necessary to determine the basic need for projects as well as their engineering and economic feasibility. Inadequate examination of the factors involved in project formulation before authorization may result in approval of projects having questionable justification or in seriously underestimating project costs. Appropriations and allotments totaling \$17 million are included for 1958 for preliminary investigations of river basin and other construction programs, including continuation of the survey to determine whether hydroelectric power can be economically developed from the tides at Passamaquoddy Bay. In addition, \$1.5 million is recommended to permit the Housing and Home Finance Agency to make grants to States and metropolitan areas for assistance in general community planning.

Detailed planning.—Preparation of project plans in advance of construction provides for orderly programming of project construction and may prevent expensive changes in project designs during the construction period. Such planning also provides an opportunity to verify the economic feasibility of projects, as well as their estimated cost, before construction is started. Expenditures for advance preparation of plans in 1958 are estimated at \$39 million. This total includes \$11 million to enable the Corps of Engineers and the Bureau of Reclamation to carry on planning on about 85 projects already authorized by the Congress, and \$1 million for a 1958 supplemental to initiate planning on projects expected to be authorized in a rivers and harbors and flood control bill. Planning will also be underway in 1958 on buildings for the Smithsonian Institution, the Bureau of Standards, various Federal hospitals, and for other purposes.

The budget also provides an additional \$6 million to enable the Housing and Home Finance Agency to make repayable advances to State and local agencies for the planning of their public works.

Authorized reserve.—An adequate reserve of soundly conceived authorized projects is necessary to permit a wise selection of projects for advance planning and for starting in accordance with program needs and economic and budgetary policy. Agency reports indicate that, on the basis of present costs, \$12 billion of unstarted work has been authorized, either by general or specific legislation. About \$8 billion of this authorized work is included in the river basin programs of the Corps of Engineers and the Bureau of Reclamation, representing 618 projects.

TABLE 4.—Reserve of presently authorized projects and programs after 1958, by agency

	Total cost of projects (billions)
Projects authorized by specific legislation:	
Corps of Engineers.....	\$5.2
Bureau of Reclamation.....	2.8
Other agencies.....	0.6
Projects or programs considered to be authorized by general legislation:	
Civil Aeronautics Administration.....	0.6
Forest Service.....	1.1
National Park Service.....	0.6
Tennessee Valley Authority.....	1.0
Other agencies.....	0.4
Total.....	12.3

Planned projects.—By the end of 1957 Federal agencies will have an estimated \$1.7 billion of authorized Federal projects planned to a stage where construction could be started, and advance planning in various stages of completion on an additional \$4.7 billion. Comparable totals for 1958 are estimated at \$3.4 billion and \$3.8 billion, respectively. Most of this planned reserve consists of water resources projects. By the end of 1958, the Corps of Engineers will have completed planning to the stage where work could be started on about 218 projects, representing an estimated \$1,344 million of work, and the Bureau of Reclamation, 14 projects, amounting to about \$975 million. In addition, the Corps of Engineers will have planning in process on another \$872 million of work, and the Bureau of Reclamation on \$865 million of work. A substantial amount of planning will also have been done by State and local agencies on highways, airports, waste treatment facilities, and hospitals, for which Federal grants are authorized.

PROGRAMS BY MAJOR FUNCTION AND TYPE OF FACILITY

Civil public works expenditures are listed in table 5 according to the functional classification used in this budget, with subclassifications according to the type of facility. Most functions require some public works. For some functions, expenditures for public works represent only a small part of the total cost of the program. For other functions, such as natural resources, over one-half of the expenditures are for various types of construction. About 77 percent of total civil public works expenditures in 1958, including highway trust fund expenditures, will be for the natural resources and transportation programs.

NATURAL RESOURCES

The natural resources programs include the multiple-purpose control and development of rivers and streams

SPECIAL ANALYSIS G—Continued

FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION—Continued

TABLE 5.—Federal civil public works expenditures by major function and type of facility

[From budget accounts and trust funds. In millions]

Major function and type of facility	1956 actual	1957 estimate	1958 estimate
Veterans' services and benefits.....	\$30.7	\$50.9	\$41.9
Veterans' hospitals and other facilities.....	25.8	46.2	36.6
Cemeteries and memorials.....	4.0	4.0	3.6
United States Soldiers' Home (trust fund).....	.9	.7	1.8
International affairs and finance.....	3.1	13.3	28.9
Radio and other facilities.....	.2	.6	2.9
Department of State and Foreign Service buildings.....	2.9	12.7	26.3
Labor and welfare.....	134.8	145.7	434.5
Hospitals and health centers.....	35.6	53.1	56.8
Medical research facilities.....	2.4	6.7	13.6
Other research facilities and museums.....	.7	8.4	9.4
Waste treatment works.....		7.0	62.0
Schools.....	94.6	67.6	259.3
Federal prison facilities.....	.8	2.8	3.4
Office building (trust fund).....	.7	.1	(b)
Agriculture and agricultural resources.....	34.4	56.8	76.4
Grain storage facilities.....	13.0	32.0	33.0
Research facilities.....	5.0	3.3	11.8
Watershed and flood prevention works.....	16.4	21.5	31.6
Natural resources.....	704.8	871.1	1,010.6
Water resources and related developments for irrigation, navigation, flood control and power.....	634.4	759.1	885.7
Forest roads and other structures.....	27.5	30.2	42.1
Roads, buildings, and utilities on Indian lands.....	18.6	17.8	21.7
Helium plant and laboratories.....	.4	4.2	2.5
Fish hatcheries and wildlife refuges.....	2.3	6.3	8.3
Parkways, roads, and utilities in national parks.....	21.6	52.5	47.8
Anthracite mine drainage facilities.....		1.0	2.5
Commerce and housing.....	848.3	1,370.0	1,967.0
Water transportation aids.....	4.7	14.6	7.8
Federal-aid highways.....	728.1		
Federal-aid highways (trust fund).....		1,136.8	1,654.0
Forest highways and other roads.....	42.4	44.1	41.5
Airports.....	17.1	49.3	56.1
Air navigation facilities.....	9.7	37.9	84.0
Aeronautical research facilities.....	13.1	11.6	13.9
Defense housing, civil defense and community facilities (net).....	1.5	3.7	26.6
Public works in Alaska and the Virgin Islands.....	17.0	13.9	8.5
Low-rent public housing:			
Loans.....	237.2	466.0	328.6
Repayments.....	* 239.0	* 451.1	* 329.1
College housing (net).....	16.4	43.2	75.0
General government: Government buildings and facilities.....	27.5	75.6	145.8
Total, civil public works.....	1,783.7	2,583.3	3,705.0

* Deduct.

* Less than \$50,000.

for flood control, navigation, irrigation, hydroelectric power, municipal water supply and related purposes, and the conservation and development of land, forest, mineral, recreational, and fish and wildlife resources. Public works expenditures for these purposes will amount to \$1,011 million in 1958, compared with \$871 million in 1957. By far the largest proportion of these expenditures is for water resources developments.

Corps of Engineers.—The rivers and harbors and flood-control programs of the Corps of Engineers are nationwide in scope, except for the Tennessee Valley area. In flood-control work, emphasis will be given in 1958 to the projects in the Northeast and Far West, which were started in 1956 and 1957, and to the continuation of construction on the Mississippi River and its principal tributaries. Large flood-control projects are also underway in Los Angeles, Calif., and in central and southern Florida.

Construction will be continued in 1958 on 24 multiple-purpose projects, including work on 2 additional power

generating units at Table Rock Reservoir and 5 additional units at Oahe Reservoir, and on 117 predominantly flood-control projects, including 16 for the lower Mississippi River and tributaries. Construction will also be continued on 87 other projects, mostly for navigation, including the Great Lakes connecting channels, the Delaware River channel to Trenton, and a number of locks and dams on the Ohio River. Thirty of these projects will be completed in 1958.

Thirteen new local flood-protection projects, which will provide benefits primarily to urban and industrial areas, are recommended for starting in 1958. Two of these will be completed within that year. Three new flood-control reservoirs will be initiated in 1958, and funds are provided for adding new power generating units at the existing Bull Shoals Reservoir in Arkansas and Missouri. Work will also be started on 6 new channel and harbor projects, 1 of which will be completed in 1958, and 1 lock and dam. In addition, \$3 million is provided for small projects costing less than \$400,000 each, which will be selected by the Secretary of the Army.

The Saint Lawrence Seaway Development Corporation.—This federally owned corporation is constructing that part of the Saint Lawrence Seaway which is in United States territory. Related navigation improvements are being built by Canada, and related power developments by the State of New York and the Province of Ontario. It is anticipated that the seaway will be open to deep-draft traffic in 1959. Legislation is being proposed to provide additional borrowing authority in 1958 to finance completion of the project.

Bureau of Reclamation.—The Bureau's program for development of water resources in the 17 Western States for irrigation and other purposes consists primarily of continuation of construction on 71 irrigation and power projects including 21 units of the Missouri River Basin project, 3 units of the Colorado River storage project, and rehabilitation work on 10 projects constructed in prior years. Of these, 7 projects and 1 unit of the Missouri River Basin project will be completed during 1958. Reclamation facilities scheduled for completion in 1958 will provide a full water supply for 168,400 new acres and supplemental water for 87,600 acres of presently irrigated lands.

The 1958 budget also provides funds for initiation of construction on 3 new projects and 3 units of the Missouri River Basin program. In addition, provision is made under proposed legislation for initiation in 1958 of the Fryngpan-Arkansas project in Colorado, and for a small projects program under which the Bureau will make loans and grants to public agencies for the construction of small irrigation projects.

International Boundary and Water Commission.—This Commission participates with a similar agency of Mexico in the construction of water conservation and control facilities on the Rio Grande River. In 1958 construction will continue on Anzalduas Dam, started in 1956.

Tennessee Valley Authority.—The 1958 construction program of the Authority provides for continuing construction of 7 steam-electric generating units started in 1956 and 1957 and for cleanup work on 5 steam-electric plants which are in operation. Construction of transmission lines required to market the additional power to be produced and continuation of work on a lock at Wilson Dam are also provided for. Under proposed legislation provision is made for the Authority to start construction

SPECIAL ANALYSIS G—Continued

FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION—Continued

of one new steam-electric generating unit at an existing plant.

Summary of Federal electric power facilities.—Federal electric power installations include hydroelectric facilities constructed as a part of multiple-purpose reservoir projects, and steam-electric facilities operated by the Tennessee Valley Authority.

At the end of calendar year 1956 generating capacity installed and operated by Federal agencies amounted to 18.7 million kilowatts. This was about 16 percent of the total capacity of class I electric utility systems in the United States. Additional capacity of 2.5 million kilowatts is scheduled for completion in calendar years 1957 and 1958 with substantial amounts scheduled for later years. The capacity now programed will, when completed, result in a total Federal capacity of about 25.9 million kilowatts.

TABLE 6.—Federal electric power generating capacity, in operation and presently scheduled (nameplate capacity)

[Million kilowatts]		
Agency	Dec. 31, 1956	Total scheduled
Corps of Engineers.....	4.47	8.51
Bureau of Reclamation.....	5.00	6.52
Tennessee Valley Authority.....	9.18	10.83
International Boundary and Water Commission.....	0.03	0.03
Total.....	18.68	25.89

Federal transmission facilities and substations for the integration of Federal generating stations and for the marketing of power from these stations will be constructed in 1958 by the Bureau of Reclamation, the Tennessee Valley Authority, and the Southwestern and Bonneville Power Administrations. In addition, the latter agency will provide facilities for the transmission of power from non-Federal projects on a mutually beneficial basis under appropriate wheeling agreements. The addition of 759 miles of lines during that year will bring the total in operation on Federal systems to about 28,300 miles. Expenditures in 1958 for these facilities by all agencies will be \$66 million.

Summary of water resources and related developments.—The major part of water resources development is classified under the natural resources function, but other water resource developments are carried out under the programs for agriculture and agricultural resources and for labor and welfare. Expenditures for all water resources and related developments are brought together in table 7.

Other natural resources programs.—Included under the natural resources function are programs for the construction of roads and trails in the national forests, national parks, and Indian reservations and on other public lands, and for continuation of work on six national parkways. Provision is made also for the construction of buildings, utilities, and other facilities in the National Park System, which is composed of 180 park, monument, and other areas. The latter facilities, together with road, trail, and parkway construction, are a part of the 10-year development program of the National Park Service initiated in the fiscal year 1957. An expanded program to improve recreational facilities, and to provide employee housing and access roads in the national forests, is also proposed.

TABLE 7.—Budget expenditures for water resources and related developments

[In millions]				
Type	Functional code No.	1956 actual	1957 estimate	1958 estimate
Predominantly single-purpose projects:				
Flood control works:				
Bureau of Reclamation.....	401	\$5.3	\$0.9	\$0.4
Corps of Engineers.....	401	153.3	196.3	243.1
Department of Agriculture.....	354	16.0	21.1	29.7
International Boundary and Water Commission.....	401	.1	2.6	1.5
Total flood control works.....		174.7	220.9	274.7
Beach erosion control: Corps of Engineers.....	401	2.2	.5	.4
Irrigation and water conservation works:				
Bureau of Reclamation.....	401	79.8	88.9	94.9
Small projects loans (proposed legislation).....	401			3.5
Department of Agriculture.....	354	.4	.4	.4
Bureau of Indian Affairs.....	401	3.5	4.0	4.0
Total, irrigation works.....		83.7	93.3	102.8
Navigation facilities:				
Corps of Engineers.....	401	73.5	120.5	143.0
Proposed legislation.....	401			.8
Saint Lawrence Seaway Development Corporation.....	401	9.2	47.7	48.2
Tennessee Valley Authority.....	401	.9	6.9	14.0
Total, navigation facilities.....		83.6	175.1	206.0
Total, predominantly single-purpose projects.....		344.2	489.8	583.9
Multiple-purpose dams and reservoirs with hydroelectric power facilities:				
Tennessee Valley Authority.....	401	2.0	.3	.2
Bureau of Reclamation.....	401	24.5	35.1	51.9
Fryingpan-Arkansas (proposed legislation).....	401			1.0
Corps of Engineers.....	401	177.1	139.0	128.6
Partnership projects (proposed legislation).....	401			5.0
International Boundary and Water Commission.....	401	.8	1.5	
Total, multiple-purpose facilities.....		204.4	175.9	186.7
Steam-electric power plants: Tennessee Valley Authority.....	401	44.3	54.2	74.9
Proposed legislation.....	401			3.0
Power transmission facilities:				
Tennessee Valley Authority.....	401	14.5	26.5	29.8
Bureau of Reclamation.....	401	14.7	7.8	8.4
Bonneville Power Administration.....	401	27.7	24.4	26.5
Southeastern Power Administration.....	401	(^b)		
Southwestern Power Administration.....	401	.2	1.1	1.2
Total, power transmission facilities.....		57.1	59.8	65.9
Waste treatment facilities: Public Health Service (grants).....	213		7.0	62.0
Total, water resources and related development.....		650.0	786.7	976.4

^b Less than \$50,000.

The Bureau of Indian Affairs will also continue work on irrigation projects, and on an expanded program for the planning for and erection of school facilities to accommodate the increasing number of Indian children to be enrolled in Federal schools. Access roads and other facilities will also be constructed by the Bureau of Land Management to facilitate use of public domain lands. The program of the Fish and Wildlife Service includes additional facilities at fish hatcheries, improvement of wildlife areas, and completion of Devils Kitchen Dam, Crab Orchard Refuge, Illinois.

COMMERCE AND HOUSING

The public works activities under this function include various transportation facilities, housing and community

SPECIAL ANALYSIS G—Continued

FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION—Continued

development, and construction of civil defense facilities. Expenditures for transportation facilities, including trust fund expenditures, amounting to \$1,857 million, account for 50 percent of the expenditures for civil public works in 1958.

Public roads.—The Federal-aid Highway Act of 1956 provided authority for grants to States for projects on the interstate highway system totaling \$24.8 billion. This amount, which is spread over the 13-year period from 1957 through 1969, will cover about 90 percent of the cost of completing this highway system. Of the \$24.8 billion, the act provided an additional \$1 billion in 1956, \$1.7 billion in 1957, and \$2 billion in 1958. The act also included additional contract authorizations of \$125 million in 1956, \$850 million in 1957, and \$875 million in 1958, for grants for Federal-aid primary, secondary, and urban highways. The Federal-aid highway systems now have a combined total length of about 775,000 miles.

For fiscal year 1957 and thereafter, authorizations and expenditures for the Federal-aid highway program, which is administered by the Bureau of Public Roads, are carried in a separately financed highway trust fund and therefore are no longer included in budget totals. They are included, however, in the overall totals for public works in this analysis.

In addition to administering the Federal-aid program, the Bureau of Public Roads constructs highways in the national forests and on other public lands. The 1956 act provided contract authority to continue these programs at somewhat increased levels. Expenditures in 1957 and 1958 will provide for construction and improvement of some 1,300 miles of forest highways, continuation of road work in Alaska, and construction of the Woodrow Wilson Memorial Bridge over the Potomac River near the District of Columbia.

Airports and air navigation and research facilities.—Grants in aid for the construction and improvement of airports will continue to increase under the expanded program enacted in 1955. It is expected that projects will be programmed for 400 airports during 1958. The purchase and installation of air navigation and traffic control facilities for the Federal airways system will continue in 1958. A 1957 supplemental of \$35 million is proposed in the budget for constructing an additional airport to serve Washington, D. C.

A major new construction program of \$41 million for the National Advisory Committee for Aeronautics is proposed in 1958 to provide new types of facilities for hypersonic research, to expand the nuclear propulsion component research facility now under construction, and to modernize a number of existing research and supporting technical facilities.

Other transportation facilities.—The Office of Territories will spend \$1.5 million in 1958 for continuation of construction on the Alaska Railroad, and the Panama Canal Company \$9 million for construction of various canal improvements and for continuation in 1958 of preparatory work started in 1957 on the Balboa Bridge.

Housing and community development.—The Federal Government assists in the construction of low-rent public housing units through loans and annual contributions to local housing authorities. The 1958 budget provides for starting construction of 35,000 units as compared with an estimated 25,000 units in 1957. In addition, it is estimated that 25,000 units will be completed in 1958 com-

pared with 15,000 in 1957. Proposed legislation for additional borrowing authority will permit the Housing and Home Finance Agency to continue to provide loans to colleges and universities for the construction of dormitories and other facilities in those instances where private financing is not available. Gross loans in 1958 are estimated at \$148 million, of which \$75 million will be to public institutions. Other expenditures consist largely of payments on grant commitments for defense community facilities, loans for public facilities under the Housing amendments of 1955, and provision of public works in Alaska and the Virgin Islands.

Civil defense.—This program provides financial assistance to States and localities for the construction and renovation of emergency control centers and civil defense training facilities, and also provides for the planning of control centers and construction of instruction facilities.

VETERANS' SERVICES AND BENEFITS

Construction of a hospital at Topeka, Kans., is underway, and work on facilities to replace most of the Long Beach, Calif., hospital has been started. Construction of replacement facilities at the Downey, Ill., hospital will begin in 1958. This budget also carries funds for the replacement of the hospitals at Jackson, Miss., and Nashville, Tenn., and for preparation of architectural plans for replacement of the hospital at Wood, Wis.

Other activities under this function include work by the quartermaster general of the Army to maintain existing monuments and cemeteries and to provide additional grave sites for persons entitled to burial in national cemeteries, and construction by the American Battle Monuments Commission of American memorials and cemeteries in foreign countries.

INTERNATIONAL AFFAIRS AND FINANCE

Public works activities under this function include construction of office buildings and living quarters, where necessary, for the United States Government abroad. In addition, provision is made for continuing the remodeling and construction of an addition to the State Department building in Washington, D. C., estimated to cost \$57 million, and for continuation of construction of radio facilities for the "Voice of America."

LABOR AND WELFARE

Health facilities.—The Department of Health, Education, and Welfare administers a program of grants to States to aid in the construction of hospitals and other medical facilities. Only the grants made to public agencies are included as public works in this analysis; those for nonpublic facilities are discussed later in this analysis and are shown in table 8. Expenditures in 1958 for grants to public agencies will amount to \$44 million, or 45 percent of total medical facilities grants. The Department will also make grants for construction of health research facilities, an estimated 40 percent of which are for public non-Federal institutions.

The Department's health programs also include construction and renovation in 1958 of medical facilities for the Indian population, and major repair and rehabilitation work and planning for a new cafeteria-treatment building at St. Elizabeths Hospital, Washington, D. C. Supple-

SPECIAL ANALYSIS G—Continued

FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION—Continued

mental funds in 1957 are proposed for completion of the new maximum security building at the latter hospital.

Education and research facilities.—Legislation is recommended to accomplish in 4 years the program of general assistance for school construction which was recommended in the 1957 budget as a 5-year program. For this program, the budget includes new obligational authority of \$451 million with expenditures estimated at \$185 million in 1958. Although part of the money may be used to purchase local school bonds and to aid in establishing reserve funds to help assure payment of obligations issued by State school-financing agencies, the expenditures for this program are classified as grants-in-aid in the budget. Assistance for school construction in defense areas and in local districts burdened by Federal activities will continue through 1958.

Grants for construction of waste treatment facilities.—The Water Pollution Control Act Amendments of 1956 authorized a program of grants to communities to stimulate and assist in the construction of waste treatment facilities. These grants are made to communities for projects which are certified by the States as meeting their pollution control programs and which the Public Health Service determines as meeting the criteria for Federal assistance. These grants may not exceed 30 percent of the cost of the project up to a maximum of \$250,000 for each grant.

Prison facilities.—The 1958 construction program for the Federal Prison System includes funds for starting 2 new penal institutions and various minor projects at 26 institutions. Other construction, by Federal Prison Industries, Incorporated, will provide employment and training opportunities for prisoners.

AGRICULTURE AND AGRICULTURAL RESOURCES

An increase in funds is provided in 1958 for the rapidly expanding program authorized under the Watershed Protection and Flood Prevention Act. Under the act the Department of Agriculture provides technical and financial assistance to States and local groups for the installation of works of improvement in upstream watersheds for the purposes of preventing damages from soil erosion, flood-water, and sedimentation, and to further the conservation, development, utilization, and disposal of water. The Department also will continue the program of upstream flood-prevention work, including the construction of flood-water retarding structures, diversion ditches, and floodways, in the 11 areas authorized by the 1936 Flood Control Act, and on a number of smaller pilot watersheds.

Other construction work by the Department of Agriculture in 1958 includes grain storage facilities, a laboratory at Ames, Iowa, for research on contagious animal diseases, and more adequate facilities for research in a number of other fields.

GENERAL GOVERNMENT

Public works classified under this function include the construction and major repair and improvement of administrative and other buildings required to carry on the Government's business. The 1958 program includes increased expenditures for the major renovation and modernization of buildings and for air conditioning of some buildings. The lease-purchase programs carried on by the General Services Administration and the Post Office Department are discussed in a later section of this analysis on "Other Federal activities in construction." Other

direct Federal construction in this category includes continuation of work on new office buildings for the Senate and House of Representatives, and extension and reconstruction of the central portion of the Capitol, in the District of Columbia. The Senate office building will be completed in 1958.

In addition, the Federal Government provides assistance, through grants and loans, for construction of various community facilities in Samoa, the Trust Territory of the Pacific Islands, and the District of Columbia. The Canal Zone Government will also construct various civic improvements.

MAJOR NATIONAL SECURITY CONSTRUCTION

Department of Defense, military public works.—The military public works program includes both overseas and domestic operational, tactical, logistical, training, and research, development and test facilities for the Air Force, Army, and Navy. Additional facilities are also being constructed for the civilian components reserves including the National Guard.

In 1957 and 1958, the Navy will place emphasis on the further development of those airfields used for training and for operation of jet aircraft, including the extension and modernization of runways, and on facilities in support of antisubmarine warfare and for berthing and drydocking the large-type aircraft carriers. The Air Force will continue the construction of air-defense installations, expansion of the aircraft control and warning system, and dispersal bases for the strategic forces. The Army will continue construction of antiaircraft guided missile facilities. Family and troop housing, community facilities, and a moderate amount of replacement construction are also included in these service programs. New construction starts for military public works will cover only those projects deemed essential to the national defense program.

Atomic Energy Commission.—Expenditures by the Atomic Energy Commission in 1958 are primarily for continuation of projects started in prior years. This construction includes production plants and weapons facilities, power and propulsion reactors including land prototypes for submarines and large naval ships, power reactors in conjunction with public power projects, facilities for development of aircraft and missile nuclear propulsion, three multibillion electron volt accelerators, and a new headquarters building at Germantown, Md. New projects proposed for 1958 include principally further improvement and expansion of production and weapons facilities, additional facilities related to civilian atomic power development, further additions to ground test facilities for the aircraft nuclear propulsion program, construction of an atomic training center in Puerto Rico, and additional research facilities.

OTHER FEDERAL ACTIVITIES IN CONSTRUCTION

In addition to public works, there are other types of Federal activities, involving loans, loan guaranties, grants, or direct Federal expenditures, which affect construction. Federal expenditures for these other activities contribute principally to the physical assets of cooperatives, and non-profit private groups, or of individuals, whereas public works are limited both in the foregoing sections of this analysis and in special analysis D to additions to Federal, State, and local governmental physical assets.

SPECIAL ANALYSIS G—Continued

FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION—Continued

ASSISTANCE TO COOPERATIVES AND NONPROFIT GROUPS

One important group of these programs consists of Federal assistance to cooperatives and nonprofit institutions, such as colleges and hospitals, for the construction of facilities. These are discussed below and shown in table 8.

TABLE 8.—Federal expenditures for cooperatives and nonprofit groups (not included in civil public works)

[In millions]			
Program	1956 actual	1957 estimate	1958 estimate
Grants:			
Nonpublic hospital construction.....	\$29.9	\$45.0	\$54.2
Nonpublic hospital facilities in the District of Columbia.....	.4	.5	1.8
Construction, Howard University.....	3.3	5.2	1.5
Construction, Gallaudet College.....	.3	2.0	2.6
Construction of research facilities.....		2.4	12.6
Construction of medical and dental research and teaching facilities (proposed legislation).....			1.6
Loans:			
Rural electrification (gross).....	208.7	225.0	255.0
College housing (gross).....	16.4	41.9	72.5
Total.....	259.0	322.0	401.8

The Rural Electrification Administration makes loans primarily to rural cooperatives to finance electrification facilities and rural telephones. About 94 percent of the farms in the United States now have central-station electric service and new electrification loans are largely for additional generating facilities and heavier distribution systems, required by increased customer demands. About 750,000 subscribers will be provided with modern telephone service under loans approved through calendar year 1956.

Grants are made to States by the Department of Health, Education, and Welfare for construction of both public and privately owned hospitals and medical facilities. Grants for public facilities are classified as public works and are discussed elsewhere in this analysis. Expenditures for private facilities, most of them operated on a nonprofit basis, represent 55 percent of total grants for medical facilities and will amount to \$54 million in 1958. In 1957 a 3-year program of grants for the construction of health research facilities was enacted. Legislation is recommended which would extend this program to a 5-year program including grants for construction of teaching facilities in the health sciences. The total authorization of \$90 million would be increased to \$250 million under the proposed legislation. The budget includes \$15 million to finance these additional provisions of the grant program in addition to \$30 million under the present authorization.

Provision is also made in the budget of the Department of Health, Education, and Welfare for the continued construction of buildings for Howard University and Gallaudet College.

Loans in 1958 to private, nonprofit colleges and universities by the Housing and Home Finance Agency for the construction of dormitories and other facilities are estimated to amount to \$72 million.

AIDS FOR PRIVATE CONSTRUCTION

Another group of Federal programs, consisting of loans, loan guaranties, tax concessions and occasional grants, direct aid, and other incentives, stimulates construction by farmers, homeowners, and businesses. This construction adds up to an important segment of the Nation's total construction.

The Congress, in 1954, provided basic authority for a lease-purchase program to acquire needed Federal public buildings for postal, administrative, and other purposes. Under this program, new buildings are built by private interests, and the Federal Government makes payments extending over a period of 10 to 25 years. At the end of the period the Federal Government will own the buildings. One hundred and forty-four projects involving construction costs totaling \$602 million have been approved.

In the field of housing, the Federal Housing Administration and the Veterans Administration operate programs for the insurance or guaranty of mortgages on private housing. These include special mortgage insurance programs for military-family, cooperative, urban renewal, and elderly-family housing. These and other programs are also supported by the commitments and purchases of mortgages by the Federal National Mortgage Association.

The Farmers' Home Administration makes direct loans for farmhouses, buildings, and water facilities, and insures private loans for these purposes. The Department of Agriculture's program for soil and water conservation and flood prevention also encourages construction of water-control structures on farmers' lands. The Commodity Credit Corporation makes loans for the construction or expansion of grain-storage facilities and provides storage-use guaranties to encourage commercial construction of such facilities.

Summary of Federal budget expenditures for public works according to categories used in special analysis D, "Investment, operating, and other budget expenditures"

[In millions]			
Public works listed under—	1956 actual	1957 estimate	1958 estimate
Additions to Federal assets:			
Loans to State and local governments (net).....	\$26	\$76	\$131
Public works—sites and direct construction:			
Civil.....	867	1,183	1,421
Major national security.....	2,319	2,282	2,556
Expenditures for other developmental purposes: State and local physical assets: Grants-in-aid.....	889	186	497
Total budget expenditures for public works.....	4,101	3,727	4,605

SPECIAL ANALYSIS G—Continued
FEDERAL ACTIVITIES IN CIVIL PUBLIC WORKS
BY MAJOR FUNCTION AND AGENCY

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
BUDGET ACCOUNTS							
Veterans' Services and Benefits							
Veterans Administration:							
Hospital and domiciliary facilities, including alterations.....	105	\$33,900,000	\$56,168,000	\$52,254,000	\$25,820,078	\$46,226,205	\$36,577,911
American Battle Monuments Commission:							
Memorials and cemeteries.....	106	3,000,000	1,050,000	1,500,000	3,588,533	2,900,000	3,100,000
Department of Defense—Civil Functions:							
Department of the Army: Cemeteries.....	106	1,110,000	600,000	400,000	432,674	1,085,000	470,200
Total, veterans' services and benefits.....		38,010,000	57,818,000	54,154,000	29,841,285	50,211,205	40,148,111
International Affairs and Finance							
United States Information Agency:							
Radio facilities.....	153			4,000,000	226,542	590,000	1,869,000
Department of Defense—Civil Functions:							
Power systems in Ryukyu Islands.....	152			9,200,000			1,000,000
Department of State:							
State Department and Foreign Service buildings.....	151	6,800,000	54,920,000	17,500,000	2,842,398	12,700,000	26,000,000
Total, international affairs and finance.....		6,800,000	54,920,000	30,700,000	3,068,940	13,290,000	28,869,000
Labor and Welfare							
Legislative branch:							
Botanic gardens: Greenhouses.....	215			587,000			587,000
General Services Administration:							
Hospital facilities in the District of Columbia:							
Loans.....	213	805,000			4,544,632	4,724,999	2,750,000
Direct work.....	213				4,163,445	4,250,001	950,000
National Science Foundation:							
Research facilities.....	215	397,500	4,515,000	4,230,000	397,500	4,545,000	1,346,200
Grants for research facilities.....	215		500,000	6,450,000		500,000	2,825,000
Smithsonian Institution:							
Museums.....	215	2,548,000	33,712,000	800,000	43,000	1,889,000	2,236,000
Department of Commerce:							
National Bureau of Standards: Laboratories.....	215	800,000	1,330,000	2,700,000	228,508	1,581,202	2,427,100
Department of Health, Education, and Welfare:							
Public Health Service:							
Federal research facilities.....	213	1,035,000	2,480,000		2,441,183	4,623,684	1,550,000
Biologics standards building.....	213	3,190,000				500,000	2,500,000
Indian health facilities.....	213	5,000,000	8,762,000	5,800,000	843,688	3,558,000	3,476,000
Grants for public hospitals and health research facilities.....	213	49,410,000	67,710,000	66,000,000	24,460,152	38,410,000	52,747,500
Grants for waste treatment works.....	213		50,000,000	50,000,000		7,000,000	62,000,000
Proposed legislation:							
Grants for health research and teaching facilities.....	213			6,000,000			1,080,000
Mental health facilities, Alaska (grant).....	213		500,000			175,000	325,000
Total, Public Health Service.....		58,635,000	129,452,000	127,800,000	27,745,023	54,266,684	123,678,500
Saint Elizabeths Hospital: Hospital buildings.....	213	869,000	7,764,000	235,000	1,552,743	3,472,060	4,904,500
Office of Education:							
School construction in federally affected areas:							
At Federal installations.....	214	1,000,000	11,000,000	6,000,000	5,337,000	8,125,000	10,000,000
Grants.....	214	31,875,000	97,000,000	35,000,000	89,271,128	59,442,128	94,330,000
School construction—general aid (proposed).....	214			451,000,000			185,000,000
Total, Department of Health, Education, and Welfare.....		92,379,000	245,216,000	620,035,000	123,905,894	125,305,872	417,913,000
Department of Justice:							
Federal Prison System: Prison facilities.....	216	1,326,413	2,665,000	8,142,000	790,477	2,817,180	3,417,000
Total, labor and welfare.....		98,255,913	287,968,000	642,944,000	134,073,456	145,613,254	434,451,300

SPECIAL ANALYSIS G—Continued

FEDERAL ACTIVITIES IN CIVIL PUBLIC WORKS—Continued

BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
BUDGET ACCOUNTS—Continued							
Agriculture and Agricultural Resources							
Department of Agriculture:							
Agricultural Research Service: Laboratory and research facilities.....	355	\$425,000	\$18,281,000	\$1,611,000	\$5,016,143	\$3,311,000	\$11,799,700
Soil Conservation Service: Flood prevention, watershed protection and other:							
Direct work.....	354	1,558,995	2,131,281	2,378,986	1,793,949	1,868,500	2,373,000
Grants.....	354	16,650,324	21,654,313	28,726,433	14,584,731	19,612,735	27,687,000
Loans.....	354			1,500,000			1,500,000
Commodity Credit Corporation: Storage facilities.....	351				13,024,902	32,000,000	33,000,000
Total, agriculture and agricultural resources.....		18,634,319	42,066,594	34,216,419	34,419,725	56,792,235	76,359,700
Natural Resources							
Saint Lawrence Seaway Development Corporation.....	401				9,210,412	47,669,900	48,195,100
Proposed legislation.....	401			35,000,000			
Tennessee Valley Authority:							
Power and chemical facilities.....	401	15,170,000		6,344,000	62,405,852	88,625,864	120,049,000
Power facilities (proposed legislation).....	401			30,000,000			3,000,000
Department of Agriculture:							
Forest Service: Forest roads and protective facilities.....	402	23,428,873	25,572,600	37,924,000	23,064,267	24,475,645	36,688,000
Department of Defense—Civil Functions:							
Department of the Army: Corps of Engineers:							
Flood control, navigation, and multiple-purpose projects with power.....	401	480,477,514	506,114,500	510,000,000	406,126,864	456,300,000	515,065,680
Advance planning (proposed legislation).....	401			1,000,000			800,000
Saint Lawrence River Joint Board of Engineers (grant).....	401	150,000	150,000	125,000	109,189	151,705	125,000
Partnership projects: Proposed legislation (grant).....	401			10,000,000			5,000,000
Total, Corps of Engineers.....		480,627,514	506,264,500	521,125,000	406,236,053	456,451,705	520,990,680
Department of the Interior:							
Power transmission facilities:							
Southeastern Power Administration.....	401				7,654		
Southwestern Power Administration.....	401			1,480,000	164,225	1,102,845	1,200,000
Bonneville Power Administration.....	401	14,600,000	18,700,000	30,800,000	27,676,537	24,400,000	26,500,000
Office of Saline Water: Pilot plants.....	401			200,000			170,000
Bureau of Land Management: Access roads.....	401	4,360,000	4,600,000	6,500,000	4,366,808	5,700,000	5,400,000
Bureau of Indian Affairs: Irrigation works, roads, buildings and utilities.....	401	13,435,503	17,470,000	30,725,000	22,147,009	21,836,500	25,720,046
Bureau of Reclamation: Irrigation and multiple-purpose projects with power.....	401	143,122,635	140,626,000	148,580,000	124,343,312	131,700,000	148,590,000
Loans.....	401		12,700,000	7,700,000		1,000,000	7,000,000
Proposed legislation:							
Fryingpan-Arkansas project.....	401			2,000,000			1,000,000
Loans for small reclamation projects.....	401			5,000,000			3,500,000
Total, Bureau of Reclamation.....		143,122,635	153,326,000	163,280,000	124,343,312	132,700,000	160,090,000
Bureau of Mines:							
Laboratories and helium plant expansion.....	403			23,000	443,057	4,000,000	1,800,000
Anthracite mine drainage facilities (grant).....	403	8,500,000				1,000,000	2,500,000
Fish and Wildlife Service: Fish hatcheries and wildlife refuges.....	404	2,300,000	6,950,000	8,400,000	2,286,831	6,322,200	8,180,747
National Park Service: Parkways, roads, buildings and utilities.....	405	27,304,300	44,050,000	49,910,000	21,607,537	52,491,621	47,845,682
Geological Survey: Buildings.....	409	275,000	510,000	1,355,000		170,000	675,000
Total, Department of the Interior.....		213,837,438	245,606,000	292,673,000	203,042,970	249,723,166	280,081,475
National Monument Commission:							
Planning for national monument.....	405			25,000			25,000
Department of State:							
International Boundary and Water Commission: Water resource projects.....							
.....	401			700,000	900,129	4,123,000	1,484,000
Restoration of salmon runs, Fraser River System.....	404					22,500	52,880
Total, Department of State.....				700,000	900,129	4,145,500	1,536,880
Total, natural resources.....		733,063,825	777,443,100	923,791,000	704,859,683	871,091,780	1,010,566,135

SPECIAL ANALYSIS G—Continued

FEDERAL ACTIVITIES IN CIVIL PUBLIC WORKS—Continued

BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
BUDGET ACCOUNTS—Continued							
Commerce and Housing							
Federal Civil Defense Administration:							
Administration building.....	520			\$1,015,000			\$1,015,000
Grants for emergency centers.....	520		\$5,185,293	4,500,000			2,750,000
National Advisory Committee for Aeronautics:							
Research facilities.....	513	\$12,565,000	14,000,000	41,484,000	\$13,140,238	\$11,550,000	13,850,000
General Services Administration:							
Grants for community facilities.....	515				5,510		
Housing and Home Finance Agency:							
Office of the Administrator:							
Public facility loans.....	515	100,000,000				2,500,000	14,500,000
Advance planning of non-Federal public works:							
Loans.....	515	3,000,000	7,500,000	6,000,000	100,048	2,100,000	8,720,000
Repayments.....	515				• 1,650,141	• 1,760,000	• 1,730,000
Defense housing—direct work.....	516				2,601,536	68,800	12,100
College housing loans.....	517	100,000,000	125,000,000	175,000,000	17,080,000	43,605,000	75,480,000
Repayments.....	517				• 636,000	• 396,000	• 528,000
Defense community facilities:							
Grants.....	517				551,506	841,506	1,374,500
Loans.....	517					49,000	
Repayments.....	517				• 179,000	• 65,800	• 71,900
Public Housing Administration:							
Low-rent housing loans.....	516				237,195,673	466,000,000	328,600,000
Repayments.....	516				• 238,980,760	• 451,082,500	• 329,124,600
Total, Housing and Home Finance Agency.....		203,000,000	132,500,000	181,000,000	16,082,862	61,860,006	97,232,100
Department of Commerce:							
Maritime activities: Shore facilities.....	511				31,000	283,000	
Bureau of Public Roads:							
Grants for Federal-aid highways.....	512	2,017,000,000	(b)	(b)	728,099,918	(b)	(b)
Forest and public land highways.....	512	24,500,000	32,000,000	32,000,000	24,986,920	27,020,981	30,000,000
Alaska roads.....	512	12,634,942	8,590,058		13,976,304	13,162,269	6,500,000
Access roads, bridges, and other direct Federal work.....	512		14,325,000		2,561,740	3,155,771	5,000,000
Other grants.....	512				839,619	790,522	
Total, Bureau of Public Roads.....		2,054,134,942	54,915,058	32,000,000	770,464,501	44,129,543	41,500,000
Civil Aeronautics Administration:							
Establishment of air-navigation facilities.....	513	16,000,000	100,500,000	149,500,000	9,702,951	37,910,000	84,000,000
Washington, D. C., and Alaska airports.....	513	3,125,000	35,000,000	500,000	419,055	4,353,231	8,625,000
Federal-aid airport program: Grants.....	513	63,149,361	63,000,000	63,000,000	16,688,162	45,000,000	47,500,000
Total, Civil Aeronautics Administration.....		82,274,361	198,500,000	213,000,000	26,810,168	87,263,231	140,125,000
Coast and Geodetic Survey: Geomagnetic observatory.....	518				251,436	53,334	
Total, Department of Commerce.....		2,136,409,303	253,415,058	245,000,000	797,557,105	131,729,108	181,625,000
Department of Defense—Civil Functions:							
Panama Canal Company:							
Canal and harbor improvements.....	511				4,031,526	10,281,478	8,147,200
Bridge.....	512		1,000,000			125,000	675,000
Department of the Interior:							
Office of Territories:							
Alaska public works:							
Loans.....	515	6,480,514	2,484,000	3,000,000	6,110,356	5,500,000	3,500,000
Grants.....	515	6,480,513	2,484,000	3,000,000	6,110,356	5,500,000	3,500,000
Virgin Islands public works: Grants.....	515				703,793	100,000	26,618
Alaska Railroad.....	518	4,100,000			4,100,000	2,849,000	1,520,000
Total, Department of the Interior.....		17,061,027	4,968,000	6,000,000	17,024,505	13,949,000	8,546,618
Treasury Department:							
Coast Guard: Lifeboat stations and other aids.....	511	950,000	1,468,000	3,277,000	1,483,448	2,435,000	3,484,000
Adjustment for transfer from Department of Defense.....					-1,044,604	1,319,000	-4,348,121
Total commerce and housing.....		2,369,985,330	412,536,351	482,276,000	848,280,590	233,248,592	312,976,797

• Deduct.

• Federal-aid highway program financed from trust funds in 1957 and 1958. See p. 1125.

SPECIAL ANALYSIS G—Continued
FEDERAL ACTIVITIES IN CIVIL PUBLIC WORKS—Continued

BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
BUDGET ACCOUNTS—Continued							
General Government							
Legislative branch:							
Architect of the Capitol: Buildings	601	\$67,500,000	\$730,000		\$6,992,803	\$25,473,674	\$33,749,765
Central Intelligence Agency:							
Headquarters installation	605	5,500,000	49,000,000		10,147	3,666,600	4,000,000
General Services Administration:							
Court facilities	602		596,679		1,575,942	1,000,000	233,442
Renovation, improvements, sites, planning and construction of public buildings	605	27,015,984	48,300,100	\$91,305,800	7,389,049	31,249,652	75,554,728
Total, General Services Administration		27,015,984	48,896,779	91,305,800	8,964,991	32,249,652	75,788,170
Department of Commerce:							
Weather Bureau: Housing and other facilities	607	101,000	535,000	370,000	23,000	88,000	245,000
Department of Defense—Civil Functions:							
Canal Zone Government: Civic improvements	609	1,800,000		1,100,000	860,493	1,957,613	1,687,500
Proposed legislation: Schools and other	609			7,700,000			4,865,000
Total, Department of Defense—Civil Functions		1,800,000		8,800,000	860,493	1,957,613	6,552,500
Department of the Interior:							
Office of Territories: Public buildings in Samoa and the Pacific Islands	609	968,918	967,700	945,800	968,918	967,700	945,800
Department of Justice:							
Immigration and Naturalization Service: Border stations	608	5,290		450,000	422,700	10,300	250,000
Treasury Department:							
Bureau of Customs: Border stations	604			450,000			250,000
District of Columbia:							
Federal payment (grant)	609	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Loans for highway, sewer and water systems	609	9,700,000	10,700,000	16,811,000	2,300,000	4,200,000	17,000,000
Total, District of Columbia		16,700,000	17,700,000	23,811,000	9,300,000	11,200,000	24,000,000
Total, general government		119,591,192	117,829,479	126,132,600	27,543,052	75,613,539	145,781,235
Total, all functions, civil public works, budget accounts		3,384,340,579	1,750,581,524	2,294,214,019	1,782,086,731	1,445,860,605	2,049,152,278
TRUST FUNDS							
Veterans' Services and Benefits							
Department of the Army:							
United States Soldiers' Home	100	265,200	2,200,000	34,000	901,276	665,696	1,784,000
Labor and Welfare							
Department of Health, Education, and Welfare:							
Bureau of Old-Age and Survivors Insurance: Building	200				682,486	65,000	23,000
Commerce and Housing							
Department of Commerce:							
Bureau of Public Roads: Federal-aid highways (grants)	500		2,566,000,000	2,888,000,000		1,136,750,000	1,654,000,000
Total, all functions, trust accounts		265,200	2,568,200,000	2,888,034,000	1,583,762	1,137,480,696	1,655,807,000
Total, all functions, budget and trust accounts		3,384,605,779	4,318,781,524	5,182,248,019	1,783,670,493	2,583,341,301	3,704,959,278

SPECIAL ANALYSIS G—Continued
MAJOR NATIONAL SECURITY CONSTRUCTION

[In millions]

Organization unit and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1956 enacted	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
Military public works:							
Department of Defense—Military Functions:							
Interservice activities:							
Access roads.....	051	\$2.2			\$5.8	\$8.2	\$1.0
Family housing.....	051				43.5	25.6	.5
Loran stations.....	051	4.2	\$5.4		4.2	5.4	
Total, interservice activities.....		6.4	5.4		53.5	39.2	1.5
Department of the Army:							
Field forces and other operational facilities.....	052				247.0	214.8	200.0
Technical services.....	053				54.6	75.0	60.0
Military construction, Army Reserve Forces.....	053	31.6	55.0	\$55.0	23.3	45.0	55.0
Construction, Alaska Communication System.....	053				.2	.1	.5
Classified.....	053				91.5	130.0	100.0
Total, Department of the Army.....		¹ 31.6	² 55.0	55.0	416.6	464.9	415.5
Department of the Navy:							
Aviation facilities.....	054	150.5	56.0		96.3	160.0	162.5
Navy facilities other than aviation.....	054	119.5	44.5		83.0	140.0	131.0
Marine Corps facilities other than aviation.....	054	61.3	29.9		15.2	28.0	29.0
Military construction, Naval Reserve Forces.....	054	28.1	9.7	10.0	16.6	19.0	17.0
Classified.....	054	111.3	34.6		24.0	72.0	86.0
Total, Department of the Navy.....		470.7	² 174.7	10.0	235.1	419.0	425.5
Department of the Air Force:							
Operational support facilities.....	052	443.4	675.0		825.0	710.0	790.0
Training facilities.....	052	111.0	185.0		112.0	54.0	55.0
Logistical, other support and miscellaneous facilities.....	052	73.9	123.0		150.0	110.0	127.0
Air National Guard construction.....	052	23.7	35.6	20.0	19.0	24.0	27.0
Classified.....	052	111.0	245.0		241.0	216.0	250.0
Total, Department of the Air Force.....		¹ 763.0	1,263.6	20.0	1,347.0	1,114.0	1,249.0
Proposed legislation.....	050			2,122.0			232.0
Total, Department of Defense—Military Functions.....		1,271.7	1,498.7	2,207.0	2,052.2	2,037.1	2,323.5
Other national security construction:							
Atomic Energy Commission: Production plants, research, and other facilities.....	056	186.7	141.2		243.4	236.5	202.8
Proposed legislation.....	056			120.0			30.0
Funds appropriated to the President: Defense production expansion: Expansion of nickel plant at Nicaro, Cuba.....	057				23.5	8.1	
Total, other national security construction.....		186.7	141.2	120.0	266.9	244.6	232.8
Total, major national security construction.....		1,458.4	1,639.9	2,327.0	2,319.1	2,281.7	2,556.3

¹ Excludes transfers of \$485.1 million to the Army and \$255 million to the Air Force from other service appropriations.

² Excludes transfers of \$202 million to the Army and \$235 million to the Navy from other service appropriations.

SPECIAL ANALYSIS H

FEDERAL AID TO STATE AND LOCAL GOVERNMENTS

This analysis covers Federal financial assistance to State and local governments. Three types of Federal assistance are included—direct grants-in-aid, shared revenues, and loans and repayable advances.

For 1958 total Federal aid expenditures, exclusive of Federal administrative costs, are estimated at \$5,502 million. This includes net expenditures of \$3,848 million from budget accounts and \$1,654 million from a new trust account established by the Highway Revenue Act of 1956. Starting in 1957, the Federal share of the new and greatly enlarged interstate highway program will be financed from this trust fund, in which the proceeds of certain excise taxes are deposited, instead of from budget appropriations as was the practice through 1956.

The total of \$5,502 million of Federal aid expenditures for 1958 includes \$215 million under proposed legislation and \$5,287 million under existing laws. The 1958 total from the budget and trust accounts is expected to be \$1,749 million higher than in 1956, and \$1,048 million greater than the revised total for 1957. The largest single increase from 1957 to 1958 is \$517 million in the new highway grants. The next largest increase—\$185 million—is for the new general assistance program for school construction under proposed legislation. Grants to States for public assistance are also expected to rise by \$97 million, primarily because of the 1956 amendments to the Social Security Act which, among other things, increased the Federal share as well as the maximum of benefit payments to individuals subject to Federal matching and also authorized new grants for medical care. The net increase in all other items from 1957 to 1958 is \$249 million, reflecting scattered decreases, including \$31 million for the poliomyelitis vaccination program, offset by increases in numerous items. These include the construction grants for waste-treatment facilities, assistance for schools in federally affected areas, as well as higher net loans and repayable advances.

TABLE 1.—Federal aid expenditures in relation to total Federal budget expenditures and total State-local revenues from their own sources

Fiscal year	Net budget expenditures for aid to State and local governments (millions)	Federal-aid expenditures as percent of—	
		Total Federal expenditures (net)	State-local revenues ¹
1949.....	\$1,803	5	8
1950.....	2,269	6	10
1951.....	2,434	5	9
1952.....	2,604	4	9
1953.....	2,857	4	9
1954.....	2,657	4	8
1955.....	3,124	5	9
1956.....	3,753	6	9
1957 (estimated) ³	3,317	5	(?)
1958 (estimated) ⁴	3,848	5	(?)

¹ Based on compilations published by the Governments Division, Bureau of the Census.

² Not available.

³ When grants-in-aid from the Federal-aid highway trust fund are added, net expenditures total \$4,454 million, 6 percent of total Federal cash payments to the public, and Federal aid as a percentage of State-local revenues will be higher.

⁴ When grants-in-aid from the Federal-aid highway trust fund are added, net expenditures total \$5,502 million, 7 percent of total Federal cash payments to the public, and Federal aid as a percentage of State-local revenues will be higher.

When the three kinds of aid are considered, by far the largest part of Federal aid in 1958, \$5,271 million, or 95.8 percent of the total, will be in the form of grants-in-aid from budget appropriations and trust accounts. Shared

revenues account for \$102 million, or 1.9 percent; and net loans and repayable advances for the remaining \$126 million, or 2.3 percent. In 1956, grants-in-aid were 97.0 percent of the smaller total of Federal aid in that year.

Grants-in-aid, loans, and repayable advances from budget and trust accounts for civil public works which add to State-local assets, represent an increasing part of total Federal aid outlays—41 percent of the total in 1958 as compared to 31 percent in 1957 and 24 percent in 1956. (See summary at end of detailed table and table 4.)

Development of Federal aid.—Federal aid to State and local governments, in recent decades, has become a major factor in the cooperative financing of essential government functions. The rudiments of the present system date back to the Civil War with the enactment of the Morrill Act which established the land-grant colleges and which instituted certain federally required minimum standards, characteristic of the present grant-in-aid system. Federal aid was later initiated for agriculture, highways, vocational education and rehabilitation, forestry, and public health. In the depression years, Federal aid was extended to meet economic security and other social welfare needs. The detailed table at the end of this analysis lists the various programs of Federal financial assistance to State and local governments presently available or proposed for enactment.

From 1953 to 1955 the Commission on Intergovernmental Relations made an intensive study of the division of responsibilities between the Federal Government and the State and local governments. The recommendations of the Commission and related studies have served as guides in formulating legislative proposals and in administration of intergovernmental programs. Highway legislation has been enacted, school construction legislation has again been recommended, a bill to provide for limited payments in lieu of taxes was sponsored by the administration in the last Congress and is once more being recommended by the President, and legislation is being formulated for the purpose of more clearly defining legal jurisdiction over Federal real property within the States.

Pursuant to a recommendation of the Commission, the President in 1956 designated the Office of the Deputy Assistant to the President for Intergovernmental Relations to give continuing attention to interlevel problems of government. As one of its assigned duties, this office will have functional responsibility for problems associated with the Federal aid system as a whole. A special assistant to the President is charged with advising on the implementation of the recommendations of the Commission on Intergovernmental Relations and is coordinating the formulation of legislative proposals for the further improvement of Federal-State-local relations.

Grants-in-aid.—As indicated above, the great bulk of Federal aid to State and local governments takes the form of grants-in-aid wherein Federal financial participation supports State or locally administered programs. For 1958, grants to States and local governments total \$5,271 million (including \$1,654 million from the highway trust fund); an increase of \$1,000 million from the estimate for 1957. The "labor and welfare" category is responsible for approximately 54 percent of the grant-in-aid expenditures in 1958; "commerce and housing," 36 percent; "agriculture and agricultural resources," 8 percent.

SPECIAL ANALYSIS H—Continued

FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

Grants to States and local governments account for four-fifths of all budget expenditures estimated for labor and welfare.

The largest grant program is public assistance for which the budget provides \$1,679 million for 1958.

The various grant-in-aid programs provide for Federal fiscal participation in a specific function or service rendered by a State or local government. Most grant-in-aid statutes require that State and local programs meet certain standards and provide for the allocation of money among the States in accordance with various formulas. These allocation formulas vary considerably among programs. Some are statutory while others are established by the administering Federal agency on the basis of criteria listed in the laws. Some contain specific measures such as population, area, per capita income, incidence of specific diseases, road mileage, etc.; others allot equal amounts to all States. Still others allot on a fixed percentage of State expenditures up to a specified limitation contained in the Federal law. Generally, the amounts expended for most programs of Federal aid are subject to the establishment of maximum amounts in the authorizing statutes and the necessity for annual appropriations by Congress. However, in the public assistance program the amount paid to each State is determined by a statutory formula applied to actual caseloads and individual benefit rates established by each State up to the statutory maximum subject to matching. Consequently, the amount appropriated in advance does not necessarily limit the total of Federal payments for a given year. Congress customarily provides a supplemental appropriation if this is necessary to cover the claims submitted by the States.

The vocational rehabilitation formula enacted in 1954 provides for variation by States in both the allotment of funds and the requisite matching share, in inverse proportion to per capita income. In recent years, similar formulas have been recommended for grants-in-aid in the field of health.

Legislation governing a few grant-in-aid programs permits aid to private nonprofit agencies or institutions. The program of grants to aid in the construction of hospitals and other health facilities, administered by the Department of Health, Education, and Welfare, is an illustration. It is estimated that 54 percent of the Federal expenditures of \$100 million for these grants in 1958 will be used for nonprofit hospitals and other private health facilities. The program, nevertheless, is one in which the States have a central role through the preparation of statewide programs, the approval of individual projects, and the channeling of the Federal payments. Therefore, the entire amount authorized and spent for the program is included as Federal aid in this table. The part going to private institutions is indicated separately.

On the other hand, certain Federal programs may incidentally involve grants to particular State or local governmental agencies, even though they are not primarily programs of grants-in-aid or loans to State or local governments. For example, the Public Health Service and the National Science Foundation make research grants to colleges and universities, including some State and local institutions. These payments are not included in the tabulation. However, similar grants made by the Office of Vocational Rehabilitation are included because they are made for reasons of State program improvement.

Payments of unemployment allowances to veterans of the Korean conflict and to former Federal civilian employees are considered direct Federal programs. The States, as a service to the Federal Government, make the benefit payments through their unemployment compensation offices as agents of the Federal Government and are fully reimbursed. Their expenses of administration are paid by the Government as part of its general grants-in-aid for unemployment compensation and employment service administration. These administrative costs in the States are not separately identifiable and are included in the Federal-aid total even though the benefit payments are excluded.

In a few instances, grants-in-kind are made, usually involving commodities, services, or structures. Wherever these can be identified in the budget they have been included in this analysis. Principal among them are grants of agricultural commodities to schools, welfare departments, and other public agencies, shown in the tabulation under agriculture and agricultural resources. This is supplementary to the grants specifically for the national school lunch program, shown under labor and welfare. However, the donation of previously acquired property, such as grants of surplus public housing properties to local agencies, have been omitted from the tabulation.

Shared revenues.—In the budget estimates for 1958, payments of shared revenues are estimated at \$102 million, only slightly above the revised estimate for the current year. As shown in the tabulation, the Mineral Leasing Act, national forest program and tax collections for American Samoa and Puerto Rico constitute approximately 76 percent of all shared-revenue expenditures.

Classified as shared revenues are (a) payments to States and localities of a portion of the proceeds from the sale of certain Federal property, products, and services; and (b) payments to the Territories of certain Federal tax collections derived within their boundaries or from transactions affecting them. Shared revenues from property and products are derived mainly from public lands in the West, and the Federal law usually requires that the State or local share be used for schools or for schools and roads in the county where the Federal lands are located. The payment of tax collections to the Territories (e. g., internal-revenue collections for Puerto Rico, the Virgin Islands, and Samoa) are included in this analysis to the extent that they are included in budget receipts and expenditures. Some revenues collected under Federal laws for the benefit of the governments of Guam, Puerto Rico, and Virgin Islands are paid directly to those Territories, without affecting Federal budget accounts.

Loans and repayable advances.—Budget expenditures for loans in most cases are net amounts, representing for any year the gross amount of loans and advances minus credits for certain collections during the year. For 1958, gross disbursements for loans and advances to State and local governments are estimated at \$532 million, collections at \$406 million, and the net excess of loans over collections at \$126 million. In a few cases, collections are not deducted from gross disbursements but, instead, are credited directly to miscellaneous receipts of the Treasury. These collections (which are shown in special analysis B as repayments of loans by States, municipalities, and other public bodies) totaled \$138,000 in 1956 and are estimated at \$181,000 in 1957 and \$254,000 in 1958.

SPECIAL ANALYSIS H—Continued

FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

Loans are made to State or local governmental bodies by several Federal agencies for specified types of public improvements, such as low-rent public housing, slum clearance, and urban renewal, by the Housing and Home Finance Agency. Also included in the category of loans are certain advances made by the same agency for the planning of non-Federal public works; these advances are repayable if the planned projects are carried out. Advances are also made by the Federal Civil Defense Administration in the operation of its supply procurement fund, which represents a central purchasing operation for State and local civil defense stocks. In 1957 and 1958 States and municipalities will procure directly a greater volume of their supplies and equipment, thus reducing advances from the fund.

Part of the Alaska public works expenditures represents Federal advances of funds to be repaid by the government of the Territory.

Federal-aid highway trust fund.—The Highway Revenue Act of 1956 established a trust fund into which proceeds from certain excises on motor fuels, tires, and vehicles are to be deposited and from which the Federal share of the new highway program will be financed. The companion Federal-Aid Highway Act of 1956 authorized Federal grants of \$25 billion over a 13-year period to cover 90 percent of the cost of completing the Interstate Highway System. In addition, it provided for increased grants for primary, secondary, and urban highways.

The estimated receipts and disbursements of this trust fund in 1957 and 1958 are shown in table 2. During 1958 it is expected that tax collections dedicated to this program will reach a level of \$2.2 billion, nearly \$400 million more than all payments. It is expected that expenditures from the trust fund will rise gradually in later years to nearly \$3 billion annually.

TABLE 2.—Federal-aid highway trust fund

[In millions]

Item	1956 actual	1957 estimate	1958 estimate
Balance in fund at start of year			\$390
Receipts:			
Excise taxes transferred from general receipts		\$1,539	2,173
Interest		2	12
Payments:			
Grants-in-aid to States		-1,137	-1,654
Administration and other		-13	-36
Refunds of taxes			-116
Net accumulation		+390	+379
Balance in fund at close of year		390	770

Proposed legislation.—Federal aid to State and local governments would be affected by several of the recommendations for legislation which are included in the budget. The largest single item is the proposed program of general assistance to States for construction of public school facilities under a 4-year program recommended by the President. The budget includes \$451 million of new obligational authority for 1958 for this purpose, with expenditures estimated at \$185 million. Although part of this money may be used to purchase bonds, the entire amount is classified as grants-in-aid for the purpose of this analysis.

Legislative recommendations will also be transmitted to the Congress to provide for a new program of Federal assistance to States in meeting certain personnel and

administrative costs of State and metropolitan area civil-defense organizations as well as provide for other needed improvements in the overall civil-defense effort. The budget includes \$50 million in new obligational authority and estimated expenditures of \$10 million for this purpose. The President's legislative program also includes proposals for grants to assist construction of medical and dental training facilities, train teachers for mentally retarded children, assist States in combating juvenile delinquency, encourage States to undertake specific planning action to meet their needs in higher education, help strengthen State occupational safety programs, and to provide for Federal participation in partnership projects for development of natural resources.

Relationship to other budget figures.—The totals for Federal aid in this analysis represent budget expenditures, as defined in the introduction to part I except for the one item of grants from the Federal-aid highway trust fund in 1957 and 1958; financial transactions relating to trust fund programs are shown in part III of the budget document.

In most cases, the expenditures in a given fiscal year correspond closely to the amount of the appropriation, but in some instances the expenditures for grants or loans are made from an appropriation which also finances direct Federal operations or Federal administrative expenses. When this occurs, the amounts tabulated in this analysis ordinarily represent an estimate of that part of the expenditure which is paid as aid to State and local governments. Also, there are certain programs—chiefly construction—where there are substantial differences between appropriations (or other authority to incur obligations) for any year and expenditures in that year. This arises because construction projects usually cannot be completed and paid for within a fiscal year. In 1958, for example, the hospital construction and school construction programs of the Department of Health, Education, and Welfare show substantial differences between appropriations and estimated expenditures.

The detailed tabulation of Federal expenditures for aid to State and local governments is arranged according to the functional classification used in the budget message. In order that this analysis may be related readily to the analysis of investment, operating, and other budget expenditures presented in special analysis D, that tabulation shows separately in each category the amounts of Federal aid to State and local governments. In table 3, the Federal-aid programs are recapitulated to follow the outline of special analysis D.

Similarly, table 4 relates this special analysis of Federal aid to special analysis G which tabulates budget and trust expenditures for public works. Including proposed legislation, about 41 percent of all Federal-aid expenditures is for public works, mostly public roads, schools, and housing.

District of Columbia.—Many Federal-aid programs provide financial assistance for specific public services in the District of Columbia on the same basis as in the States. In addition, this analysis includes programs of particular aid for the District of Columbia in the form of a general contribution to help defray the costs of the local government, assistance in building the District's hospital center (which is additional to aid made available under the general State-aid hospital and health facility construction program), and loans for capital outlays under the District government's public-works program.

SPECIAL ANALYSIS H—Continued

FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

TABLE 3.—Expenditures for Federal aid to State and local governments, classified as "Investment, operating, and other expenditures"

[From budget accounts only. In millions]

Category	1956 actual	1957 estimate	1958 estimate
Additions to Federal assets: Loans to State and local governments.....	\$29	\$84	\$126
Expenditures for other developmental purposes:			
State and local physical assets ¹	899	200	511
Private physical assets.....	31	46	60
Education, training, and health.....	280	338	352
Research and development.....	31	37	44
Engineering and natural resources surveys.....	(²)	2	2
Total, other developmental purposes.....	1,241	623	969
Current expenses for aids and special services:			
Agriculture.....	315	340	334
Business.....			2
Labor.....	399	300	312
Homeowners and tenants.....	95	132	150
Veterans.....	8	8	9
Other aids and special services.....	1,552	1,697	1,806
Total, current expenses for aids and special services.....	2,369	2,477	2,613
Other services and current operating expenses: Shared revenues and grants-in-aid.....	113	132	140
Total, net budget expenditures for Federal aid to State and local governments ¹	3,752	3,316	3,848

¹ Does not include Federal-Aid Highway Trust Fund expenditures of \$1,137 million estimated for 1957 and \$1,654 million for 1958.

² Less than one-half million dollars.

NOTE: Slight differences in the totals in special analyses D and G result from rounding.

Other financial relationships.—Apart from grants-in-aid, loans, and shared revenues, many other Federal expenditures and policies affect the finances of State and local governments. Types of transactions not covered in the tabulation of aids include the following:

(a) Reimbursements for various specific services, such as payments to public educational institutions for tuition of veterans and of students from the Armed Forces and payments to local governments for care of Federal prisoners in local institutions.

(b) Contractual payments to public institutions for research and training in specified fields.

(c) The value of surplus educational and hospital supplies, materials, and equipment, and of housing and other real estate donated or sold at substantial discounts to State and local agencies. The surplus public housing mentioned earlier is in this category of omitted grants-in-kind.

(d) The payments of property taxes, or payments in lieu of property taxes, made upon Federal property under the provisions of various laws. When such payments are based upon a percentage of revenues, however, as in the case of the Tennessee Valley Authority, they are included in the shared-revenue section of the table.

(e) The transfer to the unemployment trust fund of the excess of receipts from the Federal unemployment tax over operating costs of the Federal-State unemployment compensation and placement program to the extent that this annual transfer was devoted initially to setting up a reserve of \$200 million from which loans can be made to States which will deplete their own reserves for benefit payments. Such loans, if made, will be trust fund transactions and therefore would not be reflected in the tabulation of budget expenditures for Federal aid. The \$200 million reserve was completed July 1956. Thereafter, excess receipts are being transferred from general funds to the trust fund in which they are credited to the accounts of the several States. For example, the \$53 million transfer estimated for 1958 is classified as a Federal grant-in-aid.

In addition, the table does not reflect various indirect financial benefits accruing to State and local governments, such as exemption from Federal income tax of interest paid on State and local debt; the indirect Federal guaranty of municipal obligations issued for low-rent housing and urban renewal; deductions of State and local income, property, and other taxes from personal and corporate incomes in computing Federal income tax; services rendered to other governmental units by Federal agencies in the ordinary course of their operations; and some programs administered cooperatively for the purposes of both the State and Federal Governments, such as agricultural crop reporting or the National Guard.

Some of these financial benefits, of course, have counterparts in the form of services rendered or occasional payments made to the Federal Government by the States or their subdivisions.

TABLE 4.—Federal-aid expenditures for civil public works

[From budget and trust accounts. In millions]

Type of aid and function	1956 actual	1957 estimate	1958 estimate
Grants-in-aid:			
Labor and welfare ¹	\$114	\$106	\$398
Agriculture and agricultural resources.....	15	20	28
Natural resources.....	(²)	1	8
Commerce and housing:			
Budget accounts.....	753	52	55
Federal-aid highway trust fund.....		1,137	1,654
General government.....	8	8	8
Total, grants-in-aid for public works.....	890	1,324	2,151
Loans and repayable advances (net):			
Labor and welfare.....	5	5	3
Agriculture and agricultural resources.....			2
Natural resources.....		1	12
Commerce and housing.....	19	66	98
General government.....	2	4	17
Total, loans and repayable advances.....	26	76	132
Total, net budget and trust account expenditures for Federal-aid to State and local governments for public works.....	916	1,400	2,283

¹ Does not include grants for construction of private nonprofit hospitals.

² Less than one-half million dollars.

SPECIAL ANALYSIS H—Continued

FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

Based on existing and proposed legislation

Function, agency, and program	Functional code No.	EXPENDITURES		
		1956 actual	1957 estimate	1958 estimate
BUDGET ACCOUNTS				
Grants-in-Aid				
Veterans' services and benefits:				
Veterans Administration:				
Aid to State homes.....	105	\$5,532,753	\$5,693,000	\$6,210,000
State supervision of schools and training establishments.....	106	2,559,855	2,600,000	2,600,000
Total veterans' services and benefits.....		8,092,608	8,293,000	8,810,000
Labor and welfare:				
Department of Labor: Unemployment compensation and employment service administration.....	211	231,169,933	238,358,000	257,000,000
Treasury Department: Credit to State accounts in unemployment trust fund.....	211	167,807,591	62,037,287	52,549,289
Department of Health, Education, and Welfare:				
Public assistance.....	212	1,455,274,574	1,582,533,618	1,679,400,000
Training public welfare personnel.....	212			2,500,000
Hospital construction ¹	213	55,535,893	83,000,000	99,750,000
Portion to private nonprofit institutions.....	213	(29,895,741)	(44,990,000)	(54,202,500)
Surveys and programs for hospital construction.....	213	284,104	561,480	
Assistance to States, general public health ¹	213	13,332,038	12,000,000	16,500,000
Control of venereal disease ¹	213	1,199,472	1,700,000	1,700,000
Control of tuberculosis ¹	213	4,483,026	4,500,000	4,500,000
Mental health activities ¹	213	2,980,547	4,000,000	4,000,000
National Heart Institute ¹	213	1,088,061	2,125,000	2,125,000
National Cancer Institute ¹	213	2,210,000	2,250,000	2,250,000
Maternal and child welfare.....	213	33,622,653	39,361,000	41,500,000
Disease and sanitation control, Alaska ¹	213	638,000	638,000	1,638,000
Water pollution control ¹	213		2,000,000	3,000,000
Construction of waste treatment facilities.....	213		7,000,000	62,000,000
Construction of health research facilities.....	213		1,600,000	8,400,000
Poliomyelitis vaccination program.....	213	22,645,164	30,954,836	
General Services Administration:				
Hospital facilities in District of Columbia (private nonprofit) ²	213	381,187	475,000	1,860,000
Interstate Commission on the Potomac River Basin.....	213	5,000	5,000	5,000
Department of Health, Education, and Welfare:				
Assistance for school construction and operation in federally affected areas:				
School construction ¹	214	89,271,128	59,442,128	94,330,000
Maintenance and operation of schools ¹	214	80,927,818	101,227,280	119,245,500
Vocational education.....	214	33,199,055	38,580,412	40,888,412
Colleges for agriculture and the mechanic arts.....	214	5,051,500	5,051,500	5,051,500
President's Committee on Education Beyond the High School ¹	214		650,000	
Grants for library services.....	215		2,050,000	3,000,000
Vocational rehabilitation ¹	217	34,996,989	42,292,801	49,306,000
Education of the blind.....	217	224,000	230,000	328,000

Function, agency, and program	Functional code No.	EXPENDITURES		
		1956 actual	1957 estimate	1958 estimate
BUDGET ACCOUNTS—Continued				
Grants-in-Aid—Continued				
Labor and welfare—Continued				
Department of Health, Education, and Welfare—Continued				
Cooperative research or demonstration projects in social security.....	217			\$1,000,000
National Science Foundation: Research facilities.....	215		\$500,000	2,825,000
Department of Agriculture: National school-lunch program ¹	217	\$81,617,363	98,431,800	98,575,000
Proposed legislation:				
Department of Health, Education, and Welfare:				
Other health, education, and welfare programs ¹	210			3,250,000
Construction grants, training facilities to medical and dental schools ¹	213			1,080,000
Construction, mental health facilities, Territory of Alaska	213		175,000	325,000
School construction assistance program ¹	214			185,000,000
Assistance for planning education beyond the high school.....	214			2,500,000
Department of Labor:				
Assistance to areas of substantial and persistent unemployment ¹	211			622,000
To strengthen State industrial safety programs.....	211			2,180,000
Total, labor and welfare.....		2,317,950,131	2,423,730,142	2,850,123,701
Agriculture and agricultural resources:				
Department of Agriculture:				
Commodity Credit Corporation and removal of surplus agricultural commodities:				
Contribution to school-lunch and school-milk programs ¹	351	174,243,279	208,534,890	204,280,090
Contribution to other public agencies ¹	351	130,646,104	120,285,855	119,458,635
Watershed protection.....	354	6,200,556	9,942,607	17,290,000
Flood prevention ¹	354	8,634,960	10,050,457	11,077,000
Cooperative agricultural extension work ¹	355	43,966,411	50,137,160	54,467,000
Agricultural experiment stations.....	355	24,588,263	29,660,100	34,246,000
Agricultural Marketing Act: Cooperative projects in marketing ¹	355	1,000,000	1,160,000	1,260,000
Total, agriculture and agricultural resources.....		389,279,573	429,771,049	442,078,725
Natural resources:				
Department of Defense—Civil Functions: Department of the Army: Corps of Engineers: United States section, Saint Lawrence River Joint Board of Engineers.....				
	401	109,189	151,705	125,000
Department of Agriculture: State and private forestry co-operation.....	402	10,694,250	11,791,700	839,000

¹ Part of a larger appropriation account.² Part of a larger appropriation account. A related part of this appropriation is shown under repayable advances.³ Part of the estimated expenditure may be for the purchase of school district bonds or to help establish reserve funds for payment of debt service.

SPECIAL ANALYSIS H—Continued

FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

Based on existing and proposed legislation—Continued

Function, agency, and program	Functional code No.	EXPENDITURES		
		1956 actual	1957 estimate	1958 estimate
BUDGET ACCOUNTS—Continued				
Grants-in-Aid—Continued				
Natural resources—Continued				
Department of Agriculture—Con. Assistance to States for tree planting.....	402			\$2,500,000
Forest protection and utilization ¹	402			11,060,000
Department of the Interior: Drainage of anthracite mines.....	403		\$1,000,000	2,500,000
Fish and wildlife restoration ¹	404	\$15,803,469	16,450,000	17,100,000
Proposed legislation: Department of Defense—Civil Functions: Department of the Army: Corps of Engineers: Participating projects ¹	401			5,000,000
Total, natural resources.....		26,606,908	29,393,405	39,124,000
Commerce and housing:				
Department of Commerce:				
State marine schools ¹	511	153,225	190,000	190,000
Federal-aid highways.....	512	728,099,918		
Other Federal highway programs ¹	512	379,461	908,022	
War and emergency damage, roads, Territory of Hawaii.....	512	460,158	82,500	
Federal-aid airport program ¹	513	16,688,162	45,000,000	47,500,000
Housing and Home Finance Agency:				
Slum clearance and urban renewal, capital grants ²	515	13,581,395	40,001,023	50,500,000
Urban planning grants.....	515	274,426	1,500,000	2,000,000
Defense community facilities and services ²	515	551,506	841,506	1,374,500
Low-rent housing program—annual contributions ²	516	81,730,046	92,000,000	99,000,000
General Services Administration: Defense public works, community facilities.....	515	5,510		
Department of the Interior:				
Virgin Islands public works.....	515	703,793	100,000	26,619
Alaska public works ¹	515	6,110,356	5,500,000	3,500,000
Federal Civil Defense Administration: Federal contributions.....	520	9,561,976	13,000,000	16,000,000
Funds appropriated to the President: Disaster relief.....	521	15,421,018	16,000,000	16,000,000
Proposed legislation:				
Department of Commerce: Area assistance activities ¹	518			1,500,000
Federal Civil Defense Administration: Civil defense assistance to States.....	520			10,000,000
Total, commerce and housing.....		873,720,950	215,123,051	247,591,119
General government:				
Department of the Interior: Grants to American Samoa, Guam, and the trust territories.....	609	6,132,747	5,971,460	6,129,400
District of Columbia: Federal contribution.....	609	19,892,700	22,558,650	25,504,450
Total, general government.....		26,025,447	28,530,050	31,633,850
Total, grants-in-aid.....		3,641,675,617	3,134,840,697	3,617,361,395

Function, agency, and program	Functional code No.	EXPENDITURES		
		1956 actual	1957 estimate	1958 estimate
BUDGET ACCOUNTS—Continued				
Shared Revenues				
Agriculture and agricultural resources: Department of Agriculture: Submarginal land program.....	354	\$459,795	\$575,824	\$625,000
Natural resources:				
Federal Power Commission: Federal Power Act.....	401	31,258	32,980	45,274
Department of the Interior: Grazing receipts to States.....	401	348,549	390,649	408,400
Proceeds to States, sales of public land and materials.....	401	134,002	163,018	250,400
Alaska school lands, income and proceeds.....	401	1,323	20,555	20,000
Columbia Basin project payments in lieu of taxes.....	401	31,450	31,450	31,450
Boulder Canyon project, payments to Arizona and Nevada.....	401	600,000	600,000	600,000
Oregon and California land-grant fund, to counties.....	402	9,000,380	11,909,395	12,755,000
Payments to Coos and Douglas Counties, Oreg., on Coos Bay Wagon Road grant lands.....	402	58,028	50,000	50,000
Payments to Oklahoma from oil and gas royalties.....	403	7,305	5,893	7,500
Mineral Leasing Act, to States.....	403	23,531,028	26,201,002	27,600,000
Fish and wildlife restoration.....	404	547,151	571,307	568,000
Payment to Wyoming in lieu of taxes, acquired land, Grand Teton National Park.....	405	26,092	26,487	26,470
Department of Agriculture:				
National forests fund, to States for counties.....	402	19,427,838	28,534,200	29,670,000
National forest receipts, to Arizona and New Mexico for schools.....	402	114,301	129,400	129,400
Department of Defense—Civil Functions: Flood Control Act of 1954, to States.....	401	1,189,849	1,472,476	1,500,000
Tennessee Valley Authority: Payments in lieu of taxes.....	401	4,147,654	4,750,000	5,498,000
Total, natural resources.....		59,196,208	74,888,812	79,159,894
General government:				
Department of the Interior: Internal revenue collections, Virgin Islands.....	609	4,354,336	2,500,000	2,500,000
Treasury Department: Tax collections for American Samoa and Puerto Rico.....	609	18,071,768	20,058,700	20,050,000
Total, general government.....		22,426,104	22,558,700	22,550,000
Total, shared revenues.....		82,082,107	98,023,336	102,334,894
Loans and Repayable Advances				
Gross loans and repayable advances:				
Labor and welfare: General Services Administration: Hospital facilities in District of Columbia (private nonprofit) ⁴	213	4,544,632	4,724,999	2,750,000
Agriculture and agricultural resources: Watershed protection ⁵	354			1,500,000

¹ Part of a larger appropriation account.² Part of a larger appropriation account. A related part of this appropriation is shown under repayable advances.⁴ Part of a larger appropriation account. A related part of this appropriation is shown under grants-in-aid.⁵ Part of a larger account.

SPECIAL ANALYSIS H—Continued

FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

Based on existing and proposed legislation—Continued

Function, agency, and program	Functional code No.	EXPENDITURES			Function, agency, and program	Functional code No.	EXPENDITURES		
		1956 actual	1957 estimate	1958 estimate			1956 actual	1957 estimate	1958 estimate
BUDGET ACCOUNTS—Continued					BUDGET ACCOUNTS—Continued				
Loans and Repayable Advances—Continued					Loans and Repayable Advances—Continued				
Gross loans and repayable advances—Continued					Collections credited against expenditures—Continued				
Natural resources: Department of the Interior: Bureau of Reclamation: Small reclamation projects—Commerce and housing:	401		\$1,000,000	\$7,000,000	Commerce and housing—Con. Federal Civil Defense Administration: Procurement fund—	520	\$1,352,706	\$4,432,000	\$5,479,000
Housing and Home Finance Agency:					Total, collections credited against expenditures—		\$259,797,448	\$492,736,300	\$405,933,500
Reserve of planned public works ¹ —	515	\$100,048	2,100,000	8,720,000	Net budget expenditures for loans and repayable advances—		28,807,463	84,413,246	126,295,500
Defense community facilities and services ² —	515		49,000		Subtotal, all net budget expenditures—		3,752,565,187	3,317,277,279	3,847,991,789
Public facility loans—	515		2,500,000	14,500,000	TRUST FUNDS				
Slum clearance and urban renewal ³ —	515	19,990,332	43,000,000	64,000,000	Grants-in-Aid				
Low-rent housing—	516	237,195,673	466,000,000	328,600,000	Commerce and housing:				
College housing—	517	17,080,000	43,605,000	75,480,000	Department of Commerce: Bureau of Public Roads: Federal-aid highways—	500		1,136,750,000	1,654,000,000
Department of the Interior: Alaska public works ⁴ —	515	6,110,356	5,500,000	3,500,000	Total, net budget and trust account expenditures for grants-in-aid, shared revenues, loans, and repayable advances—		3,752,565,187	4,454,027,279	5,501,991,789
Federal Civil Defense Administration: Procurement fund—	520	1,283,870	4,470,547	5,679,000	SUMMARY				
General government: District of Columbia: Loans for capital outlays—	609	2,300,000	4,200,000	17,000,000	Grants-in-aid, loans, and repayable advances for civil public works:				
Proposed legislation: Department of the Interior: Bureau of Reclamation: Small reclamation projects—	401			3,500,000	Budget accounts—		915,268,790	262,865,995	627,811,919
Total, gross loans—		288,604,911	577,149,546	532,229,000	Federal-aid highway trust fund—			1,136,750,000	1,654,000,000
Collections credited against expenditures:					Grants for hospital construction to private nonprofit institutions—		30,276,928	45,037,500	56,002,500
Commerce and housing:					Other grants-in-aid, shared revenues, loans, and repayable advances—		2,807,019,469	3,009,373,784	3,164,177,370
Housing and Home Finance Agency:					Total, net budget accounts and trust fund expenditures for grants-in-aid, shared revenues, loans, and repayable advances—		3,752,565,187	4,454,027,279	5,501,991,789
Slum clearance and urban renewal ⁴ —	515	\$16,998,841	\$35,000,000	\$69,000,000					
Reserve of planned public works—	515		\$10,000	\$230,000					
Defense community facilities and services ⁵ —	515	\$1,829,141	\$1,815,800	\$1,571,900					
Low-rent housing program—	516	\$238,980,760	\$451,082,500	\$329,124,600					
College housing—	517	\$636,000	\$396,000	\$528,000					

¹ Deduct.² Part of a larger appropriation account. A related part of this appropriation is shown under grants-in-aid.³ Part of a larger account.

SPECIAL ANALYSIS I

FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS

This analysis summarizes Federal expenditures in 1956, 1957, and 1958 for research and development to discover new facts concerning phenomena in the natural and social sciences and to apply existing knowledge to new technological uses. Included are expenditures for the performance of research under the head "Conduct of research and development" and for the construction, improvement, and equipping of research facilities under the head "Increase of research and development plant." The contribution of the Federal Government in support of scientific training is dealt with separately in a supplementary section at the end of this textual analysis.

Net budget expenditures for Federal scientific research and development programs are estimated to be \$3,345 million in 1958, an increase of \$807 million over 1956 and \$364 million over 1957.

TABLE 1.—Total Federal research and development expenditures

(In millions)

Purpose	1956 actual	1957 estimate	1958 estimate
Conduct of research and development.....	\$2,337.6	\$2,657.5	\$2,909.6
Increase of research and development plant.....	200.4	323.5	435.3
Total.....	2,538.0	2,981.0	3,345.0

National security needs account for the largest portion of the increase in 1958 and for the greatest part of total research and development expenditures of the Federal Government. The Department of Defense programs, chiefly for the development and improvement of military weapons and equipment, account for 61 percent of the 1958 expenditures, while the Atomic Energy Commission research programs make up 21 percent.

More emphasis is being placed on research to meet human needs in health, welfare, educational, and economic terms. Of particular significance is the recent growth in support of medical research and assistance to research in fields such as education, vocational rehabilitation, and social work, particularly in the Department of Health, Education, and Welfare, which accounts for 6 percent of total expenditures. Other agencies with substantial research and development programs are the Department of Agriculture with 4 percent of total expenditures for such purposes and the National Advisory Committee for Aeronautics with 3 percent.

Emphasis is also increasing on fundamental research, which is the base on which rests the expanding technology of the Nation, particularly under programs of the National Science Foundation.

The Federal Government supports approximately half the research and development costs of the Nation. Private industry finances much of the remainder, and smaller amounts are expended from funds of foundations, educational institutions, and by State and local governments.

Of the total Federal research and development expenditures, one-half are made directly by Government research laboratories and facilities. The remaining expenditures are chiefly made through contracts with private industry and through grants and contracts with universities. In 1956, the National Science Foundation estimated that work conducted in Government facilities accounted for 47 percent of total Federal expenditures; work conducted

in private profit organizations, 38 percent; and educational and other nonprofit institutions, 15 percent.

TABLE 2.—Division of Federal expenditures for research and development between major national security and other programs

(In millions)

Fiscal year	Major national security	Other	Total
1940.....	\$26	\$48	\$74
1941.....	144	54	198
1942.....	211	69	280
1943.....	472	130	602
1944.....	1,178	199	1,377
1945.....	1,372	219	1,591
1946.....	784	134	918
1947.....	768	130	898
1948.....	698	155	853
1949.....	889	191	1,080
1950.....	871	209	1,080
1951.....	1,063	235	1,298
1952.....	1,565	250	1,815
1953.....	1,830	270	2,100
1954.....	1,806	279	2,085
1955.....	1,804	281	2,085
1956 ¹	2,202	336	2,538
1957 (estimate) ¹	2,516	465	2,981
1958 (estimate) ¹	2,793	552	3,345

¹ Figures under "Major national security" and "Total" include the pay and allowances of Department of Defense military personnel assigned to research and development activities, as follows: 1956, \$188 million; 1957, \$196 million; 1958, \$239 million.

In this analysis the term "conduct of research and development" includes activities in which the primary aim is either to develop new knowledge or to apply existing knowledge to new uses. These activities may be carried out in Government installations or in the facilities of private, State, or local organizations using Federal funds. Generally excluded from this definition are expenditures for routine testing, mapping and surveys, experimental production, information activities and training programs including fellowships for the support of graduate students in the sciences. This special analysis also omits expenditures for the collection of general-purpose statistics of the Census Bureau, Bureau of Labor Statistics, and other agencies, some of which expenditures were included in the similar tabulations of "Federal research and development programs" in preceding budgets. The principal statistical programs of the Federal Government are discussed in special analysis J in this budget.

Expenditures for increase of research and development plant include amounts for physical facilities such as land, buildings, and major equipment, regardless of whether the facility is to be used or owned by the Federal Government or by a private, State, or local organization.

All expenditures in this special analysis are net budget expenditures as defined in the introduction to part I of the budget; the estimated amounts include expenditures from supplemental appropriations proposed for later transmission. Table 16 relates the figures in this special analysis to the analysis of the investment, operating, and other budget expenditures presented in special analysis D.

DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

The objective of the military research and development program of the Department of Defense is to provide new and improved weapons, equipments, and techniques which will significantly increase the effectiveness of the armed services. The program includes basic research directly related to current developments or likely to have future military significance, applied research and development, comprising the major part of the program, and testing

SPECIAL ANALYSIS I—Continued

FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS—Continued

and evaluation. These activities are conducted by the military services under the general supervision of the Office of the Secretary of Defense.

TABLE 3.—*Expenditures of the Department of Defense for research and development*

[In millions]			
Function and purpose	1956 actual	1957 estimate	1958 estimate
050 Major national security:			
Conduct of research and development	\$1,683.0	\$1,735.5	\$1,819.0
Increase of research and development plant	120.0	177.0	228.0
Total, Department of Defense	1,803.0	1,912.5	2,047.0

CONDUCT OF RESEARCH AND DEVELOPMENT

The expenditures of the Department of Defense in this analysis for conduct of research and development consist of: (a) those included in the research and development category of the Department's budget, which covers only expenditures under the specific research and development appropriations of military services, and (b) that part of the military personnel budget category which represents the pay and allowances of military personnel engaged in research, development, and test activities. Related expenditures, particularly those under procurement appropriations, are excluded.

More than half of the Department of Defense expenditures are for work performed under contracts with industrial and research organizations; the remainder is for work in the Department's research, development, and test installations. All major operating costs of the military installations are included in these estimates. In the case of contracts with industrial and nonprofit organizations, the figures include the substantial part of contractor effort which is covered by the research and development budget category but do not cover related costs of even greater magnitude funded as part of the procurement programs. Of particular importance for the conduct of research and development are the design, engineering, and experimental fabrication of initial quantities of non-standardized weapons and equipment for developmental, test, and evaluation purposes, which are financed from procurement appropriations. Advanced manned aircraft, aerodynamic and ballistic guided missiles, ships and submarines incorporating new design features and components, and major electronics equipments are examples

TABLE 4.—*Expenditures of the military departments for conduct of research and development*

[In millions]			
Military department	1956 actual	1957 estimate	1958 estimate
Army	\$413.8	\$410.0	\$410.0
Navy	449.1	480.0	500.0
Air Force	622.5	650.0	670.0
Total, research and development appropriations	1,485.4	1,540.0	1,580.0
Expenditures under other appropriations in 1956 (Air Force)	9.6		
Total, research and development category	1,495.0	1,540.0	1,580.0
Expenditures under military personnel category	188.0	195.5	239.0
Total, conduct of research and development, Department of Defense	1,683.0	1,735.5	1,819.0

of the types of articles bought under procurement programs for use in the research, development, test, and evaluation programs.

Obligations in major substantive fields are shown in table 5. The amounts shown for operation and management of facilities are those which are not distributed directly to the other programs under the current practices of each department; obligations and expenditures in this area continue to rise as a result of the completion and operation of test ranges and other new research and development facilities of the military services. Obligations shown in connection with the emergency fund represent amounts not yet distributed among the departments but estimated to be required during the years indicated. Certain of the specific fields of research and development outlined in table 5 are closely related to and coordinated with programs conducted by the Atomic Energy Commission and the National Advisory Committee for Aeronautics.

TABLE 5.—*Obligations by program and expenditures of the Department of Defense for conduct of research and development (excluding costs under military personnel category)*

[In millions]			
Program	1956 actual	1957 estimate	1958 estimate
Obligations:			
1. Aircraft and related equipment	\$352.2	\$282.2	\$276.3
2. Guided missiles and related equipment	280.4	346.5	331.8
3. Ships and small craft and related equipment	80.8	72.6	82.5
4. Combat and support vehicles and related equipment	13.5	16.6	16.0
5. Artillery and other weapons and related equipment	4.9	8.6	10.3
6. Ammunition and related equipment	112.6	109.6	100.1
7. Other equipment	166.1	184.4	154.4
8. Military sciences	248.3	243.0	218.8
9. Operation and management of facilities	280.2	349.8	385.8
10. Emergency fund		67.8	85.0
Total obligations	1,539.0	1,681.1	1,661.0
Expenditures:			
Total, research and development category	1,495.0	1,540.0	1,580.0

INCREASE OF RESEARCH AND DEVELOPMENT PLANT

Estimates of increase in the research and development plant of the Department of Defense include all public works construction at military installations having as their primary mission research, development, and testing, and that part of construction at other installations which is in support of the research and development program. Development, engineering, experimental fabrication and test facilities provided contractors under the procurement programs are not included in these estimates. The sharp increase estimated for Air Force plant expenditures in 1958 reflects in particular the expansion of development and test facilities, including those in support of the ballistic missiles programs.

TABLE 6.—*Expenditures of the military departments for increase of research and development plant*

[In millions]			
Military department	1956 actual	1957 estimate	1958 estimate
Army	\$20.0	\$22.0	\$18.0
Navy	10.0	30.0	40.0
Air Force	90.0	125.0	170.0
Total	120.0	177.0	228.0

SPECIAL ANALYSIS I—Continued

FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS—Continued

As discussed above, expenditures and obligations shown in this analysis for both conduct of research and development and increase in research and development plant exclude certain related costs, in particular those incurred under the procurement programs in support of research, development, test, and evaluation activities. Taking these costs into consideration, the aggregate amount programed for defense research and development in 1958 will be in excess of the \$5.2 billion programed for 1957, as estimated last year by the Department of Defense.

MILITARY ASSISTANCE

As part of the military assistance program, the United States cooperates through the mutual weapons development program with a number of foreign countries to accelerate the development of advanced nonnuclear weapons. Current participants in the program, which is administered by the Department of Defense, are the United Kingdom, France, The Netherlands, Belgium, Norway, Italy, and West Germany. Projects are financed jointly by the United States and the countries undertaking particular developments, and in certain cases technical assistance is provided in addition to or in place of financial assistance. Expenditure estimates in table 7 represent United States participation.

TABLE 7.—*Expenditures of the mutual weapons development program for research and development*

[In millions]

Function	1956 actual	1957 estimate	1958 estimate
050 Major national security.....	\$11.3	\$26.4	\$32.9

The projects are conducted by scientists and technicians of the participating countries and are directed at developing weapons, equipments, and techniques which are particularly well suited to the defense requirements and capacities of these countries.

ATOMIC ENERGY COMMISSION

The Atomic Energy Commission's program includes both basic research and applied research and development. Basic research is conducted in the physical and life sciences to secure a better understanding of nuclear processes and subatomic particles and of the effect of nuclear radiation on living organisms. The applied research and development includes efforts to improve the processes used in the production of fissionable materials, to improve weapon types, and to find ways of obtaining useful power from nuclear reactions, including controlled thermonuclear reactions. While a large portion of this research program is of necessity aimed at military uses of atomic energy, an increasing portion is devoted to civilian applications. Moreover, the effort placed on military uses produces much information necessary to progress in the application of atomic energy for civilian purposes.

The program of research and development for production and weapons is mainly directed to developing improved production methods which would increase the capacity and efficiency of the plants producing uranium metal, feed materials, and fissionable materials, and to developing concepts which lead to new and improved weapon types.

In the field of reactor development, increasing effort is being devoted to developing means for producing com-

TABLE 8.—*Expenditures of the Atomic Energy Commission for research and development*

[In millions]

Function and programs	Conduct of research and development			Increase in research and development plant		
	1956 actual	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
050 Major national security:						
Production and weapons.....	\$106.4	\$117.5	\$142.0	\$5.1	\$6.6	\$5.9
Reactor development.....	155.1	261.3	329.7	20.1	60.0	87.1
Physical research.....	46.5	58.5	63.8	9.1	12.7	16.3
Biology and medicine.....	27.5	30.5	34.7	.7	3.9	4.6
Equipment not included above.....				14.6	21.3	26.0
Total, Atomic Energy Commission.....	335.5	467.9	570.2	49.6	104.5	139.9

petitive electric power from atomic reactors. The increasing participation of industry in the program is expected to speed the achievement of this objective. The Commission is also continuing the development of reactors for the propulsion of commercial ships. The work on reactors for military uses, including transportable reactors to supply power at remote bases and propulsion reactors for military aircraft and naval combatant vessels, will continue. Supplementing these specific projects is the advanced engineering and development on reactor materials, fuel elements, fuel separation systems, and reactor safety, which is applicable to many reactor designs. Expenditures for the increase in research and development plant in this area are mainly for engineering laboratory buildings, facilities for testing reactor experiments, an engineering test reactor, and prototype reactors for civilian power and military purposes.

The Commission's program of research in the physical sciences contributes important basic data for use in the solution of problems related to the development programs discussed above. A major portion of the effort is to develop a fundamental understanding of atomic structure and forces through the use of particle accelerators, including two in the multibillion electron volt range. Considerable effort is also placed on research on the physical, chemical, and metallurgical properties of materials used in the Commission's programs. Much of the information developed yields applications beyond the field of atomic energy. Construction expenditures include those for three new multibillion electron volt particle accelerators at Brookhaven National Laboratory, Upton, Long Island; Cambridge, Mass.; and Princeton, N. J.

The program of research in biology and medicine is primarily aimed at securing an understanding of the effects of radiation on living organisms, developing methods of minimizing such effects, and analyzing the long-term effects of nuclear explosions. However, an increasing research effort is being placed on the development of methods of using atomic energy in biological research and in the diagnosis and treatment of human diseases. The expenditures for construction are primarily for the completion of the medical research center, including a medical reactor, at the Brookhaven National Laboratory.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The research activities of the Department of Health, Education, and Welfare continue to be centered chiefly in the Public Health Service. Though proportionately

SPECIAL ANALYSIS I—Continued

FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS—Continued

small, the research programs of the Office of Education and the Office of Vocational Rehabilitation are gaining in significance. Research is also carried on by the Food and Drug Administration in connection with its enforcement responsibilities, and by the Social Security Administration on the extent of public and private insurance, benefit, and assistance programs and on the specialized needs for the protection of children's health and welfare.

TABLE 9.—*Expenditures of the Department of Health, Education, and Welfare for research and development*

[In millions]

Function	1956 actual	1957 estimate	1958 estimate
210 Labor and welfare.....	\$86.0	\$146.0	\$187.4

Research on human diseases—their diagnosis, cause, and treatment—is conducted by the Public Health Service chiefly through the National Institutes of Health. The Institutes are organized on a disease category basis as illustrated by table 10 which covers the entire research program of the Public Health Service.

Almost two-thirds of the expenditures of the Public Health Service are for research sponsored in colleges, universities, and other nongovernmental institutions through grants and contracts. The remaining one-third is for research in the laboratories of the Public Health Service.

The major portion of the increase in 1958 under the National Institutes of Health is to provide for more adequate payments for overhead costs for medical schools and other institutions receiving research grants. Smaller increases are also estimated for research grants in arthritis and metabolic diseases, in allergy and infectious diseases, and in the direct operating costs of the Institutes.

Elsewhere in the Public Health Service increased expenditures are estimated chiefly for research in air and water pollution. However, research is also being expanded in methods to improve control of infectious and communicable diseases and in other environmental health problems.

TABLE 10.—*Expenditures of the Public Health Service for research and development*

[In millions]

Organizational unit and program	1956 actual	1957 estimate	1958 estimate
National Institutes of Health:			
Cancer.....	\$17.5	\$30.5	\$34.0
Mental Health.....	8.3	14.3	17.1
Heart.....	13.5	22.0	24.5
Dental Research.....	1.3	3.8	4.2
Arthritis and Metabolic Diseases.....	9.6	13.5	15.1
Allergy and Infectious Diseases.....	6.4	12.7	15.4
Neurological Diseases and Blindness.....	7.5	12.6	14.7
Grants for construction of medical and dental research facilities.....		4.0	21.0
General research and other.....	8.1	14.4	14.1
Bureau of State Services.....	8.9	10.5	13.4
Other, Public Health Service.....	2.0	2.5	3.3
Total, Public Health Service.....	83.1	140.8	176.8

The Office of Vocational Rehabilitation conducts scientific investigations and studies under a program of grants to States and private and nonprofit agencies for research and development projects which show promise of con-

tributing to the solution of vocational rehabilitation problems which are common to several or all of the States. The increased expenditures in 1958 will assist in increasing and extending knowledge of all phases of vocational rehabilitation and in improving and expanding the national program of vocational rehabilitation of the handicapped.

The Office of Education undertakes and sponsors research on educational problems of broad national importance. It conducts studies through its own staff and makes contracts for cooperative research with colleges and universities and with State departments of education. The increased expenditures in 1958 are chiefly devoted to expansion of the cooperative research program which began in 1957. Under this program attention is being given particularly to projects related to educating the mentally retarded and gifted children, to recruiting and training teachers, to school building needs, as well as to other contemporary educational problems.

DEPARTMENT OF AGRICULTURE

The budget recommendations for 1958 provide for continued expansion of research by the Department of Agriculture as an aid in solving the acute problems involved in providing balanced supplies and increased utilization of agricultural products.

The Department conducts agricultural research chiefly through the Agricultural Research Service through facilities operated by the Department, through grants to States, and through contracts and cooperative projects principally with State agricultural experiment stations. Other research is also carried on by the Forest Service, the Agricultural Marketing Service, the Foreign Agricultural Service, the Farmer Cooperative Service, and the departmental library.

The Agricultural Research Service conducts or supports research on crops, farm and land management, livestock, home economics, and utilization of farm products. The increased expenditures in 1958 are chiefly devoted to research on utilization of farm products, production economics, soil and water conservation, and payments to State experiment stations. A major increase is also anticipated for construction of new research facilities for the study of animal diseases.

TABLE 11.—*Expenditures of the Department of Agriculture for research and development*

[In millions]

Function	1956 actual	1957 estimate	1958 estimate
350 Agriculture and agricultural resources.....	\$86.7	\$103.1	\$123.6
400 Natural resources.....	7.3	8.7	9.3
Total, Department of Agriculture.....	94.0	111.8	132.9

The Forest Service undertakes research in the entire field of forestry and wild land management, including the growth and harvesting of timber, protection of forests, management of range lands, utilization of forest products and research in forest economics, taxation, and watershed management.

The Agricultural Marketing Service conducts research on the transportation, storage, handling, distribution, and pricing of farm products.

SPECIAL ANALYSIS I—Continued

FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS—Continued

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The research and development programs of the National Advisory Committee for Aeronautics are currently primarily concerned with problems of military significance. However, many of the fields in which the Committee works are of importance to civil aviation as well. The Committee's programs include basic research in the fundamental problems of flight over an ever-widening range of speeds, altitudes, and conditions; applied research and development to translate basic principles into improved design, construction, and propulsion of aircraft and missiles; and specific research and development related to particular aircraft and missiles under development by the military services.

TABLE 12.—*Expenditures of the National Advisory Committee for Aeronautics for research and development*

[In millions]

Function and purpose	1956 actual	1957 estimate	1958 estimate
500 Commerce and housing:			
Conduct of research and development.....	\$50.5	\$55.0	\$64.0
Increase of research and development plant.....	20.6	19.6	22.5
Total, National Advisory Committee for Aeronautics.....	71.1	74.6	86.5

The increase in expenditures estimated for the conduct of research and development during 1958 reflects the increased level of operations proposed for the Committee in view of the pivotal character of its role in aeronautical research and development. Because the unique facilities and equipment available to the Committee at its 3 laboratories and 2 flight stations are basic to its capacity for conducting research and development, a major program of new construction totaling over \$40 million is also proposed for initiation in 1958. The purpose of this program is to provide new types of facilities particularly for hypersonic research, which is of increasing importance, to expand the nuclear research facility currently under construction, and to modernize and expand the capabilities of existing research and technical supporting facilities.

DEPARTMENT OF THE INTERIOR

The major research expenditures of the Department of the Interior are under the Bureau of Mines, the Geological Survey, and the Fish and Wildlife Service. Smaller amounts are expended for research in the utilization of saline water and for programs in the Bureau of Reclamation and the National Park Service.

TABLE 13.—*Expenditures of the Department of the Interior for research and development*

[In millions]

Function	1956 actual	1957 estimate	1958 estimate
400 Natural resources.....	\$34.4	\$41.8	\$47.3

The Bureau of Mines conducts research on technological and economic problems of the mineral industry and

on improvements to promote safe and healthy working conditions in mines.

The Geological Survey conducts investigations of the availability and quality of surface and underground water resources and the nature and occurrence of minerals and mineral fuels.

In the Bureau of Reclamation research is undertaken to develop improved design, construction, and operation of irrigation projects.

The research programs of the Fish and Wildlife Service are directed to the conservation of the Nation's animal life and thus to promote the maximum use and enjoyment of wildlife resources.

NATIONAL SCIENCE FOUNDATION

Under its basic legislation, enacted in 1950, and Executive Order 10521, issued in 1954, the National Science Foundation is assuming increasing responsibility for the encouragement and support by the Federal Government of general-purpose, basic research in this country. Grants are made to colleges, universities, and other research institutions for the conduct of fundamental investigation in the biological, medical, mathematical, physical, and engineering sciences.

TABLE 14.—*Expenditures of the National Science Foundation for research and development*

[In millions]

Function and program	1956 actual	1957 estimate	1958 estimate
210 Labor and welfare:			
Regular activities.....	\$11.4	\$22.5	\$33.2
International Geophysical Year.....	4.9	20.9	9.6
Total, National Science Foundation.....	16.3	43.4	42.8

Increased funds are provided for this purpose by the 1958 budget to permit support of a greater number of promising research proposals. The Foundation is also forwarding the progress of basic research through providing special facilities to assist the performance of scientific experimentation and investigation. Such facilities include radio and optical astronomy observatories, reactors and other devices for nuclear research, university computers, and support for field stations for biological research.

In addition to its direct support of research, the National Science Foundation is responsible for studying the Nation's research efforts and recommending to the President policies relating to the place of the Federal Government in the encouragement, support, and conduct of research.

The Foundation has responsibility for supporting the United States program for the International Geophysical Year, to be held in 1957–58. This worldwide program involves research by scientists of over 50 nations during the period indicated in order to obtain data which will advance the world's knowledge of the earth and its physical characteristics, including conditions above the atmosphere through the launching of earth-circling satellites. Funds for this program provide for establishing and maintaining observation stations and for procurement of scientific equipment.

Synthetic rubber research and development were supported by the Foundation in 1956 from funds received from the Federal Facilities Corporation. Balances of these

SPECIAL ANALYSIS I—Continued

FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS—Continued

funds were made available by reappropriation for use in 1957 to support grants for basic high-polymer research.

DEPARTMENT OF COMMERCE

The largest research and development program of the Department of Commerce is that of the National Bureau of Standards. Other major research and development programs are conducted by the Maritime Administration, the Civil Aeronautics Administration, and the Weather Bureau. Smaller research expenditures are made by the Census Bureau, the Office of Business Economics, and the Patent Office.

TABLE 15.—*Expenditures of the Department of Commerce for research and development*

(In millions)

Function	1956 actual	1957 estimate	1958 estimate
210 Labor and welfare.....	\$6.0	\$8.3	\$12.1
510 Commerce and housing.....	12.6	11.5	11.8
600 General government.....	1.6	2.3	2.8
Total, Department of Commerce...	20.2	22.1	26.7

Research and development in the physical sciences is conducted by the National Bureau of Standards in carrying out its basic responsibility for maintaining and developing national standards of measurement. The increased expenditures estimated for 1958 will permit the Bureau to meet more adequately the requirements of science and industry for standards of greater range and precision. Additional expenditures are also anticipated for the development of detailed plans and specifications for the new laboratory facilities to replace the inadequate plant now occupied in the District of Columbia.

The Maritime Administration is conducting research in connection with its program of Liberty ship conversion and engine improvement and research on ship design, cargo handling, materials and equipment, and nuclear propulsion.

Expenditures under the Civil Aeronautics Administration reflect research conducted by the Administration and that sponsored by the Air Navigation Development Board, a joint board of the Commerce and Defense Departments. Increased expenditures are estimated in 1958 to expand the work of the Board and the Civil Aeronautics Administration on the development and improvement of air navigation and traffic control. The Administration also performs research on aeronautical instruments and equipment and on human problems relating to aircraft design and operation.

The Weather Bureau conducts a program of meteorological research with special emphasis on investigation of severe storms, such as hurricanes and tornadoes, and in 1958 will expand its program on the development of weather forecasting through use of high speed electronic computers.

OTHER AGENCIES

Research is also conducted by a number of other agencies in furtherance of their assigned responsibilities. These include the Advisory Committee on Weather Control, the Civil Service Commission, the Federal Civil Defense Administration, the Federal Communications Commission, the General Services Administration, the Housing and Home Finance Agency, the Post Office Department, the

State Department, the Tennessee Valley Authority, the Treasury Department, the United States Information Agency, and the Veterans Administration. The General Services Administration research is almost entirely contract research, financed from funds available to the President under the Defense Production Act, and is directed toward increasing the supply of strategic and critical raw materials.

TABLE 16.—*Reconciliation with special analysis D, investment, operating, and other budget expenditures*

(In millions)

Category	1956 actual	1957 estimate	1958 estimate
Amounts for conduct of research and development included in:			
Expenditures for other developmental purposes: Research and development:			
Civil:			
Direct Federal programs.....	\$274	\$385	\$440
Grants-in-aid.....	31	37	44
Major national security.....	2,021	2,208	2,392
Current expenditures for aids and special services: International: Major national security: Funds appropriated to the President: Military assistance ¹	11	26	33
Rounding adjustments.....	1	2	1
Total, conduct of research and development.....	2,338	2,658	2,910
Amounts for increase of research and development plant included in:			
Additions to Federal assets:			
Public works—sites and direct construction: Civil: Research and development plant.....	22	27	34
Major national security: Research and development plant.....	155	260	342
Major equipment:			
Civil: Research and development plant.....	9	10	10
Major national security.....	15	21	26
Expenditures for other developmental purposes: Private physical assets:			
Civil:			
Direct Federal programs: Research and development plant.....		2	13
State and local physical assets: Grants-in-aid: Research and development plant.....		2	11
Rounding adjustments.....	-1	1	-1
Total, increase of research and development plant.....	200	323	435

¹ Not separately identified in special analysis D.

FEDERAL ACTIVITIES CONTRIBUTING TO TRAINING IN THE SCIENCES

The foregoing analysis discusses expenditures of the Federal Government for the support of research and development and for the acquisition and improvement of scientific equipment and facilities. Equally important, however, to the furtherance of research is the education and training of engineers and scientists in the natural and social sciences. Many of the research and development programs reported in this special analysis assist in the support of scientific education. In addition, the Federal Government contributes directly to the education of new scientists and engineers through fellowships, traineeships, training grants, and other programs directed toward the improvement of science education and the encouragement of young people in scientific careers, even though in most cases these programs are not part of the research and development expenditures.

In the following paragraphs a number of the Federal activities contributing to training in the sciences are described. While not a complete cataloging, it indicates the range of activities in which the Federal agencies are engaged and includes data on the relative size of each such

SPECIAL ANALYSIS I—Continued

FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS—Continued

program. Data on costs are on an obligational basis rather than on an expenditure basis as is generally the case in the preceding tables. It may be estimated from this analysis that the Federal Government through training programs in the sciences and through the support of scientific research is aiding well over 40,000 students.

RESEARCH ASSISTANTSHIPS

The largest measure of Federal assistance in science education comes through the employment of research assistants under grants and contracts which are chiefly financed from research and development appropriations.

The Government in 1956 obligated over \$160 million at educational institutions for the conduct of scientific research and development. An additional \$144 million was obligated at research centers affiliated with educational institutions. In the process of carrying out much of this Government-financed research, educational institutions employ research assistants to perform junior level research work on Government projects while engaged in completing undergraduate, graduate, or postgraduate training. Such employment contributes to the technical training of the student, and, through the income it provides, indirectly assists him in completing his education.

Most of the departments and agencies with research contracts or grants at educational institutions do not obtain reports on the number of research assistants employed for work on federally supported projects. However, the data presented in the table below indicates the order of magnitude of support.

Agency	Estimated number of assistants		
	1956	1957	1958
Department of Agriculture.....	700- 1,200	700- 1,200	700- 1,200
Department of Defense.....	10,000-15,000	10,000-15,000	10,000-15,000
Department of Health, Education, and Welfare.....	1,750	3,775	4,100
Atomic Energy Commission.....	1,180	1,720	2,125
National Science Foundation.....	1,100	1,900	3,000
Other agencies.....	445	300	500

In total it is estimated that as many as 21,000 students were employed in 1956 under research grants and contracts and upwards of 24,000 are estimated for 1957 and 26,000 for 1958.

FELLOWSHIPS

At present four agencies of the Federal Government award fellowships to individuals for the purpose of providing opportunities for research, training for graduate degrees, improvement of teaching, and cultural exchange. They are financed from appropriations not classified as research and development and are awarded at the predoctoral and postdoctoral levels for study chiefly in the natural sciences.

Agency	Number of fellowships			Obligations (in millions)		
	1956 actual	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
Department of Health, Education, and Welfare.....	1,408	2,057	2,363	\$2.8	\$5.4	\$6.5
Department of State.....	465	457	543	1.5	1.5	1.9
Atomic Energy Commission.....	69	244	263	.4	1.0	1.1
National Science Foundation.....	832	1,059	1,610	2.1	3.3	5.7
Total.....	2,774	3,817	4,784	6.8	11.2	15.2

Within the Department of Health, Education, and Welfare, the National Institutes of Health, the Office of Vocational Rehabilitation, and the Social Security Administration offer fellowships in the medical, rehabilitation, and welfare fields.

The National Science Foundation awards fellowships for the improvement of teaching, for research, and for graduate training in the sciences.

The fellowship program of the Department of State administered by the Department's International Educational Exchange Service makes fellowships available in all fields including the natural and social sciences to promote the sharing of ideas with other nations of the free world.

The Atomic Energy Commission fellowships are awarded chiefly in the field of nuclear energy technology and also in radiological physics, industrial hygiene and industrial medicine.

TRAINEESHIPS

Traineeships presently are awarded by the Federal Government primarily for the purpose of providing advanced education and training opportunities in specific fields for individuals who have completed their basic professional education. Expenditures for these are also not classified in the research and development category.

Three agencies of the Government administer traineeship programs—the Department of Health, Education, and Welfare, the Veterans Administration, and the Department of Agriculture.

Agency	Number of traineeships			Obligations (in millions)		
	1956 actual	1957 estimate	1958 estimate	1956 actual	1957 estimate	1958 estimate
Department of Health, Education, and Welfare.....	1,880	3,784	4,835	\$5.3	\$11.8	\$15.2
Veterans Administration.....	703	795	795	-----	-----	-----
Total.....	2,583	4,579	5,630	5.3	11.8	15.2

NOTE.—Data on the program of the Department of Agriculture are not readily available; it is estimated that the number is under 100. Veterans Administration costs are not available.

Within the Department of Health, Education, and Welfare, responsibility for the programs rests with the National Institutes of Health, the Bureau of State Services, the Office of Vocational Rehabilitation, the Social Security Administration, and St. Elizabeths Hospital. The trainees sponsored by the foregoing are studying in the medical and allied sciences and welfare fields.

The Veterans Administration conducts a program for psychology trainees who are paid on the basis of services actually rendered.

The Department of Agriculture, by means of a cooperative agreement with the land-grant colleges, contributes to the financing of a study-leave program for State and county extension workers who may be granted leave with pay for advanced training or study related to agricultural extension work.

TRAINING GRANTS

Training grants are ordinarily awarded for the purpose of establishing, expanding, improving, or continuing programs of training in the sciences. As distinguished from fellowships and traineeships, training grants are made to institutions and serve to strengthen the capacity of the recipient institutions to perform their research and training functions. They likewise are financed from appropriations not counted in the research and development category.

Agency	Obligations (in millions)		
	1956 actual	1957 estimate	1958 estimate
Department of Health, Education, and Welfare.....	\$10.5	\$19.4	\$20.5
Atomic Energy Commission.....	1.2	4.4	8.0
Total.....	11.7	23.8	28.5

SPECIAL ANALYSIS I—Continued

FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS—Continued

Five organizations have training grant programs, the largest program being that of the National Institutes of Health in the Department of Health, Education, and Welfare, which offers such grants to assist undergraduate and graduate training in medical and related fields. The grants may generally be used either for the establishment or strengthening of programs or for the payment of stipends to trainees selected by the recipient institutions.

Also in the Department of Health, Education, and Welfare, the Office of Vocational Rehabilitation makes grants to schools, universities, and other agencies to pay part of the cost of training projects in fields concerned with rehabilitation. The Social Security Administration beginning in 1958 will undertake a program of grants to States for 5 years for training of public welfare personnel for work in public assistance programs.

The Atomic Energy Commission operates several training grant programs. The Commission makes grants to assist nonprofit educational institutions acquire teaching aids, demonstration apparatus, and laboratory equipment including educational reactors. Specialized equipment and limited operational assistance are offered to medical schools to encourage training in the use of radioisotopes. A similar program is directed to colleges and universities for the instruction of students in the biological and agricultural sciences. In addition, equipment and operational assistance is granted to schools of public health for radiation safety training.

The Commission also makes training grants for the support of the Oak Ridge Institute of Nuclear Studies resident graduate program and radioisotope training program. A program of graduate study in reactor technology is partially supported at the Oak Ridge School of Reactor Technology and the Argonne National Laboratory's International School of Nuclear Science and Engineering.

OTHER AIDS TO SERVICE TEACHING

Closely related to training grants with respect to providing a variety of aids for science teaching are several programs, chiefly of the National Science Foundation and the Atomic Energy Commission, likewise not classified in the research and development category.

Agency	Obligations (in millions)		
	1956 actual	1957 estimate	1958 estimate
Department of Health, Education, and Welfare			\$0.4
Atomic Energy Commission	\$0.2	\$1.4	1.9
National Science Foundation	1.4	11.0	12.8
Veterans Administration	.2	.2	.2
Total	1.8	12.6	15.3

To meet the shortage of both high school and college science teachers, and to augment the training of present science teachers, the National Science Foundation supports both summer and yearlong training institutes for teachers of science and mathematics. The estimates for 1958 anticipate 91 summer institutes for 4,500 teachers and 17 yearlong institutes for 50 science teachers. The Foundation also sponsors a number of other activities designed to interest able students in undertaking careers

in science and science teaching, including support for visiting scientists who lecture in the high school classroom; for student participation in science fairs and exhibits; and for the development of career guidance materials. Finally, the Foundation supports several activities directed to the improvement of high school and college science curriculums.

The Atomic Energy Commission undertakes programs of a similar nature but for more specialized purposes. Summer courses for high school science teachers in general nuclear science, in cooperation with the National Science Foundation, are supported by the Division of Biology and Medicine, which also provides for scientists from Atomic Energy Commission laboratories to conduct lectures in radiobiology in colleges and universities. The Oak Ridge Institute of Nuclear Studies supports a variety of similar activities.

OTHER PROGRAMS

Among other programs directed specifically to increasing the supply of scientists and engineers is the undergraduate work-study program initiated by the Navy in 1956. This provides for the selection of able high school graduates who are interested in attending college to study in the sciences and engineering and who at the same time wish to be employed in work situations contributing to their educational objectives. It is estimated that some 300 students will be participating in this program during 1958.

Under a program to increase the number of military doctors and dentists, the Department of Defense supports the training of medical and dental students, at a junior officer level, at a salary that is equivalent to a scholarship for attendance at a professional school. In return for this the Department receives military service commensurate with assistance given. It is estimated that about 800 students will be participating in this program in 1958.

A number of agencies undertake cooperative educational programs to contribute to training in the sciences and to encourage recruitment of scientific and engineering personnel. Such programs may operate through formal agreements whereby a Government agency, an educational institution, and a student cooperate in planning a program in study and complementary employment, or with informal cooperation between agency, school, and student. Related to these cooperative educational programs is the extensive summer employment of qualified students in fields of mutual interest to the agency and to the student. It is estimated that well over 5,000 students are participating in various cooperative educational programs of the departments and agencies of the Federal Government, including part-time summer employment.

Finally there are a number of Federal activities which, while not directed toward increasing the supply of scientists and engineers, nevertheless materially assist to this end. These include such programs as the training of veterans, the Reserve Officer Training Corps, the in-service training of Government civilian and military personnel, and medical and dental internships and residencies at Government hospitals.

SPECIAL ANALYSIS I—Continued

NET BUDGET EXPENDITURES FOR FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS

Based on existing and proposed legislation

Function and agency	Function- al code No.	1956 actual			1957 estimate			1958 estimate		
		Conduct of research and development	Increase of research and development plant	Total	Conduct of research and development	Increase of research and development plant	Total	Conduct of research and development	Increase of research and development plant	Total
MAJOR NATIONAL SECURITY										
Department of Defense—Military Functions:										
Department of the Air Force.....	052	\$736,000,000	\$90,000,000	\$826,000,000	\$756,200,000	\$125,000,000	\$881,200,000	\$824,400,000	\$170,000,000	\$994,400,000
Department of the Army.....	053	454,500,000	20,000,000	474,500,000	456,300,000	22,000,000	478,300,000	452,200,000	18,000,000	470,200,000
Department of the Navy.....	054	492,500,000	10,000,000	502,500,000	523,000,000	30,000,000	553,000,000	542,400,000	40,000,000	582,400,000
Atomic Energy Commission.....	056	335,471,000	49,604,000	385,075,000	467,863,000	104,530,000	572,393,000	570,189,000	139,895,000	710,084,000
General Services Administration: From funds appropriated to the President for expansion of defense production.....	057	2,651,495		2,651,495	5,092,000		5,092,000	2,935,000		2,935,000
Department of Defense: Military assistance: From funds appropriated to the President for military assistance.....	058	11,300,000		11,300,000	26,400,000		26,400,000	32,900,000		32,900,000
Total, major national security.....		2,032,422,495	169,604,000	2,202,026,495	2,234,855,000	281,530,000	2,516,385,000	2,425,024,000	367,895,000	2,792,919,000
VETERANS' SERVICES AND BENEFITS										
Veterans Administration.....	105	6,079,003		6,079,003	10,370,000		10,370,000	10,730,000		10,730,000
INTERNATIONAL AFFAIRS AND FINANCE										
Department of State.....	151	332,594		332,594	350,725		350,725	350,725		350,725
United States Information Agency.....	153	21,608		21,608	68,000		68,000	64,000		64,000
Total, international affairs and finance.....		354,202		354,202	418,725		418,725	414,725		414,725
LABOR AND WELFARE										
Department of Labor:										
Bureau of Labor Standards.....	211	292,000		292,000	297,000		297,000	311,000		311,000
Bureau of Apprenticeship and Training Service.....	211	96,100		96,100	96,600		96,600	96,900		96,900
Bureau of Employment Security.....	211	642,000		642,000	694,000		694,000	774,000		774,000
Bureau of Labor Statistics.....	211	585,000		585,000	585,000		585,000	585,000		585,000
Women's Bureau.....	211	118,000		118,000	138,000		138,000	127,000		127,000
Wage and Hour Division.....	211	157,000		157,000	277,000		277,000	277,000		277,000
Department of Health, Education, and Welfare:										
Social Security Administration:										
Office of the Commissioner.....	212	83,000		83,000	90,000		90,000	2,227,400		2,227,400
Bureau of Public Assistance.....	212	103,000		103,000	109,000		109,000	137,000		137,000
Children's Bureau.....	213	107,200		107,200	105,200		105,200	159,800		159,800
Food and Drug Administration.....	213	1,078,100		1,078,100	1,253,600		1,253,600	1,365,900		1,365,900
Public Health Service.....	213	80,188,279	2,941,183	83,129,462	131,657,000	9,123,684	140,780,684	151,926,000	24,850,000	176,776,000
Office of Education.....	214	504,276		504,276	1,804,000		1,804,000	3,209,000		3,209,000
National Science Foundation.....	215	14,833,301	1,431,500	16,264,801	36,154,952	7,286,650	43,441,602	37,724,450	5,106,550	42,831,000
Smithsonian Institution.....	215	199,400		199,400	374,087		374,087	392,900		392,900
Department of Commerce:										
Bureau of Census.....	215	491,000		491,000	573,000		573,000	644,000		644,000
National Bureau of Standards.....	215	5,283,057	228,508	5,511,565	6,176,700	1,581,202	7,757,902	9,041,700	2,427,100	11,468,800
Department of Health, Education, and Welfare: Office of Vocational Rehabilitation.....	217	1,036,656		1,036,656	1,900,000		1,900,000	3,528,000		3,528,000
Total, labor and welfare.....		105,797,369	4,601,191	110,398,560	182,285,139	17,991,536	200,276,675	212,527,050	32,383,650	244,910,700

SPECIAL ANALYSIS I—Continued

NET BUDGET EXPENDITURES FOR FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS—Continued

Based on existing and proposed legislation—Continued

Function and agency	Functional code No.	1956 actual			1957 estimate			1958 estimate		
		Conduct of research and development	Increase of research and development plant	Total	Conduct of research and development	Increase of research and development plant	Total	Conduct of research and development	Increase of research and development plant	Total
AGRICULTURE AND AGRICULTURAL RESOURCES										
Department of Agriculture:										
Soil Conservation Service.....	354	\$300,000		\$300,000	\$450,000		\$450,000	\$450,000		\$450,000
Agricultural Research Service.....	355	67,111,963	\$5,016,143	72,128,106	82,907,050	\$3,311,000	86,218,050	92,877,634	\$11,643,700	104,521,334
Farmer Cooperative Service.....	355	279,930		279,930	363,000		363,000	396,000		396,000
Agricultural Marketing Service.....	355	12,820,496		12,820,496	14,649,600		14,649,600	16,766,000		16,766,000
Foreign Agricultural Service.....	355	975,000		975,000	1,100,000		1,100,000	1,153,900		1,153,900
Library.....	355	237,000		237,000	275,000		275,000	340,500		340,500
Total, agriculture and agricultural resources.....		81,724,389	5,016,143	86,740,532	99,744,650	3,311,000	103,055,650	111,984,034	11,643,700	123,627,734
NATURAL RESOURCES										
Tennessee Valley Authority.....	401	1,874,494	82,383	1,956,877	2,038,000	15,000	2,053,000	2,190,000	3,000	2,193,000
Department of Defense—Civil Functions.....	401	1,362,731		1,362,731	1,930,000		1,930,000	2,505,000		2,505,000
Department of the Interior:										
Office of the Secretary.....	401	502,512		502,512	656,011		656,011	840,000	170,000	1,010,000
Bureau of Reclamation.....	401	184,500		184,500	228,600		228,600	199,000		199,000
Department of Agriculture: Forest Service.....	402	7,300,000		7,300,000	8,725,000		8,725,000	9,280,000		9,280,000
Department of the Interior:										
Bureau of Mines.....	403	14,673,389	161,991	14,835,380	16,089,000	66,000	16,155,000	19,552,000	23,000	19,575,000
Fish and Wildlife Service.....	404	8,962,000	310,000	9,272,000	12,460,000	935,000	13,395,000	11,220,000	700,000	11,920,000
National Park Service.....	405	168,421		168,421	253,486		253,486	474,871		474,871
Geological Survey.....	409	9,400,009		9,400,000	11,000,000	95,000	11,095,000	14,100,000		14,100,090
Total, natural resources.....		44,428,047	554,374	44,982,421	53,380,097	1,111,000	54,491,097	60,360,871	896,000	61,256,871
COMMERCE AND HOUSING										
Department of Commerce: Maritime activities.....										
Treasury Department: Coast Guard.....	511	8,070,000		8,070,000	7,000,000		7,000,000	5,500,000		5,500,000
Department of Commerce:										
Bureau of Public Roads.....	512	1,459,000		1,459,000						
Civil Aeronautics Administration.....	513	1,822,262		1,822,262	3,150,600		3,150,600	4,753,000		4,753,000
National Advisory Committee for Aeronautics.....										
Post Office Department.....	514	617,690		617,690	1,959,648		1,959,648	3,864,631		3,864,631
Housing and Home Finance Agency.....	517				97,000		97,000	858,000		858,000
General Services Administration.....	518	64,208		64,208	90,000		90,000	90,000		90,000
Department of Commerce:										
Coast and Geodetic Survey.....	518	76,000		76,000	75,009		75,000	75,000		75,000
Office of Business Economics.....	518	1,014,083		1,014,083	952,364		952,364	1,045,000		1,045,000
Patent Office.....	518	175,000		175,000	330,000		330,000	355,000		355,000
Federal Communications Commission.....	519	203,000		203,000	285,000		285,000	145,000		145,000
Federal Civil Defense Administration.....	520	173,882		173,882	4,113,236		4,113,236	4,000,000		4,000,000
Total, commerce and housing.....		64,491,201	20,640,238	85,131,439	73,392,848	19,550,000	92,942,848	85,066,631	22,500,000	107,566,631
GENERAL GOVERNMENT										
Treasury Department: Bureau of Engraving and Printing.....										
Civil Service Commission.....	606	229,356		229,356	228,800		228,800	228,800		228,800
Advisory Committee on Weather Control.....										
Department of Commerce: Weather Bureau.....	607	220,826		220,826	325,000		325,000	310,000		310,000
Total, general government.....		2,302,182		2,302,182	3,088,800		3,088,800	3,524,500		3,524,500
Total, all functions.....		2,337,598,888	200,415,946	2,538,014,834	2,657,535,259	323,493,536	2,981,028,795	2,909,631,811	435,318,350	3,344,950,161

SPECIAL ANALYSIS J

PRINCIPAL FEDERAL STATISTICAL PROGRAMS

The statistical programs included in this analysis are primarily those which produce the basic statistical data used by the Government and the public in measuring the welfare and progress of our citizens and of various sectors of our national economy. Responsibility for these programs is shared by a number of agencies—some engaged primarily in statistical activities (such as the Bureau of the Census in the Department of Commerce, or the Bureau of Labor Statistics in the Department of Labor), and others in which statistical activities are a byproduct of other operating functions (such as the Internal Revenue Service in the Treasury Department).

Continuing current statistical programs are shown and discussed separately from the periodic census programs, for which there are wide fluctuations in expenditures from year to year. For 1958 the budget recommends \$35.2 million for the Government's principal current statistical programs, and \$6.7 million for the periodic census programs. The obligations for current and periodic census programs for 1956 and 1957 and the recommended levels for 1958 are shown by agency in the table at the end of this analysis. The obligations for current programs are shown below by broad subject areas, to emphasize the interrelationships which exist among the programs of different agencies and to aid in appraising the Government's overall statistical program.

Several changes have been made this year in the scope of this analysis of Federal statistical programs. The appropriation item under the Public Health Service for "Public health methods and reports" has been included for the first time, because of the statistical importance of the new national health survey authorized last year by the Congress (Public Law 652, approved July 3, 1956). The research and statistical program of the Office of Education, also expanded last year, is likewise included in this analysis for the first time. On the other hand, the marketing research activities of the Department of Agriculture have been excluded from the analysis of statistical programs because the collection and use of statistics is incidental to the broader purposes toward which these activities are directed: increasing market efficiency, expanding market outlets, and improving the quality of agricultural products.

Not all the Government's statistical activities are included in this analysis. Many Government agencies collect and use statistics in carrying out their administrative responsibilities, and frequently these statistics have general informational uses as well. Such agencies as the Social Security Administration, Bureau of Mines, Housing and Home Finance Agency, and Interstate Commerce Commission, for example, although they are not included in this analysis, produce statistical information widely used by the Government and the public.

CURRENT PROGRAMS

The 1958 budget recommendation of \$35.2 million for principal current statistical programs represents an increase of \$5 million over the amount available for these programs in 1957. Almost one-third of this \$5 million is accounted for by mandatory items in the 1958 budget, resulting primarily from adding to the costs of present programs the contributions to the civil service retirement and disability fund. These contributions, formerly made

through a separate appropriation, are to be made directly by the agencies beginning in 1958.

Exclusive of the mandatory items, an increase of approximately \$3.4 million is recommended for specific program changes, described in the following paragraphs. Some of these program recommendations are directed toward obtaining more accurate or more detailed information in specific areas where improvements are needed. Other program increases for 1958 represent full-year costs of activities (primarily the health and educational programs, mentioned above) which are being initiated or expanded during 1957.

Direct obligations for principal current statistical programs, by broad subject areas

[In millions]

Program	1956 actual	1957 estimate	1958 estimate
Labor statistics (Departments of Labor, Commerce, and Agriculture).....	\$6.9	\$7.1	\$7.6
Demographic statistics (Department of Health, Education, and Welfare and Departments of Commerce and Agriculture).....	2.5	3.6	4.5
Prices and price indexes (Departments of Labor and Agriculture).....	2.9	3.1	3.5
Production and distribution statistics (Departments of Agriculture and Commerce).....	10.0	11.9	14.2
Construction and housing statistics (Departments of Commerce and Labor).....	.7	.7	.7
National income and business financial accounts (Departments of Commerce, Treasury, and Agriculture, Federal Trade Commission, and Securities and Exchange Commission).....	4.1	3.8	4.7
Total, principal current programs...	27.1	30.2	35.2

Labor statistics.—This area includes many of the basic programs of the Bureau of Labor Statistics, such as employment and wages by industry, labor turnover, industrial hazards, foreign labor conditions, and the measurement of productivity. It also includes the work of the Bureau of the Census in supplying data on the number and characteristics of persons in the labor force, including employment or unemployment status; and information on farm labor collected by the Agricultural Marketing Service.

Almost half of the net increase of more than \$500,000 recommended for labor statistics in the 1958 budget is accounted for by the mandatory items—primarily retirement costs. The balance provides for improvement of specific programs within the Bureau of Labor Statistics. Funds are included for a study of the effects of tariff changes on employment in the United States (\$120,000); and for strengthening the industry wage survey program in important nonmanufacturing industries, such as petroleum and metal mining (\$145,000). Provision is made for completion of the expanded Federal-State cooperative program of labor turnover statistics, initiated in 1956, so that all States will be included by the end of 1958; and for increased salary costs in the employment statistics program conducted in cooperation with the States. The 1958 program of the Bureau of Labor Statistics also includes provision for preparatory work necessary to adapt employment data to the revised Standard Industrial Classification; studies of the effect of automation in industries where electronic computers are being introduced; and case studies of the technological displacement of older workers. The total increases recommended in

SPECIAL ANALYSIS J—Continued

PRINCIPAL FEDERAL STATISTICAL PROGRAMS—Continued

Bureau of Labor Statistics programs for 1958 are offset in part by completion during the current year of nonrecurring projects, for which \$170,000 is available in 1957.

Demographic statistics.—The two principal current programs included in this area are located in the Public Health Service: the National Office of Vital Statistics, which compiles the national statistics of births, deaths, marriages and divorces; and the national health survey program, being inaugurated in the current year. Also included in the area of demographic statistics are the work on population estimates and projections in the Bureau of the Census; the research and statistical activities of the Office of Education; and studies of the farm population by the Agricultural Marketing Service.

Excluding increases required for mandatory items, increases of almost \$650,000 are recommended for demographic statistics in 1958. Most of this program increase is for the national health survey program. The National Health Survey Act approved in July 1956 provides for a continuing national survey, supplemented by special studies, to obtain accurate current statistical information on the amount, distribution and effects of illness and disability in the United States. An appropriation of \$700,000 was made available to launch the program in 1957, and the increase to about \$1.2 million for 1958 represents the amount needed for a full year's operation. Similarly, additional funds included for the Office of Education for 1958 provide for full-year costs of the expanded statistical program being initiated in the current year, to obtain more comprehensive data about the Nation's school systems.

Prices and price indexes.—Included in this area are the Bureau of Labor Statistics programs on wholesale and consumer prices; and the Agricultural Marketing Service estimates of prices received and paid by farmers, and research on factors affecting prices, supply, and consumption.

Program changes account for less than \$250,000 of the total increase of more than \$400,000 recommended in this area for 1958.

In the Bureau of Labor Statistics, the 1958 budget recommends additional funds (\$114,000) for the initiation of surveys of consumer expenditures to be made each year in four to six cities. Information from these surveys is needed to provide a continuing check on the accuracy of the weights used in compiling the Consumer Price Index.

In the Agricultural Marketing Service, the 1958 budget recommends \$100,000 for a program designed to improve the indexes of prices paid and received by farmers. These indexes are based on price information now obtained chiefly through mail questionnaires, and the irregularity of response has raised the question of whether other means of collecting the data can be found to insure a greater degree of accuracy in the information reported. Provision is also made in the 1958 budget recommendation for improved coverage in the research program on prices, supply, and consumption.

Production and distribution statistics.—The broad area of production and distribution statistics includes a large part of the continuing program of the Bureau of the Census—current data on retail, wholesale and service trades; manufacturing industries; agriculture; and foreign trade and shipping. It also includes the work of the Agricultural Marketing Service on crop and livestock estimates, and

the Agricultural Research Service program on the economics of farm production.

The total increase of \$2.3 million recommended for production and distribution statistics in 1958 includes about \$700,000 for the mandatory items and almost \$1.6 million for program changes.

The largest program increase is \$835,000 for the production economics program of the Agricultural Research Service. This increase is designed primarily to provide economic data needed for the development and appraisal of farm programs, including research on the financial condition, land ownership and tax burdens of different groups of farmers. It is proposed to conduct studies on a continuing basis in each of about 35 type-of-farming areas, in cooperation with the land-grant colleges, various credit agencies, and other units in the Department of Agriculture. The increase for the production economics program also provides for economic studies of irrigation in the Upper Colorado River Basin. In the Agricultural Marketing Service increases of \$158,000 recommended for 1958 provide funds to permit the Department of Agriculture to assume sole responsibility for the collection of crop-condition data for the weekly weather-crop bulletins, issued jointly with the Weather Bureau; and for the improvement of poultry statistics.

In the Bureau of the Census, the 1958 budget recommendation includes increases totaling approximately \$125,000 for several specific projects designed to improve the accuracy and usefulness of the foreign-trade statistics program. These increases provide funds needed to keep pace with the increased volume of foreign trade; to obtain more reliable figures for commodities exported in small dollar volume (under \$500 per shipment); and to revise the commodity classifications used for export and import statistics to bring them up to date. The 1958 budget recommendation for the Bureau of the Census also includes \$100,000 for the annual compilation and publication of County Business Patterns, and about \$70,000 for expansion and improvement of the monthly data on manufacturers' sales, inventories and new orders—widely used as a current indicator of business trends. As part of the governmentwide defense readiness program, an amount of \$300,000 is recommended for the Census Bureau to obtain industrial data for use in preparing plans for post-attack damage assessment.

Construction and housing statistics.—Statistics on construction activity are compiled by the Business and Defense Services Administration, which is responsible for the estimates of private nonresidential construction, and the Bureau of Labor Statistics, which is responsible for the estimates of private residential and public construction. The budget recommendations for 1956 and 1957 included funds to provide for improvements in this area, but the increases proposed were not allowed in the final appropriations as enacted by the Congress. No increase is proposed for this program for 1958, pending completion of a comprehensive review now being made of the Government's work in this area and reformulation of a program designed to provide more comprehensive and more accurate measures of this important segment of the economy.

The area of construction and housing statistics in this analysis also includes the current data on housing statistics compiled by the Bureau of the Census. No increase is

SPECIAL ANALYSIS J—Continued

PRINCIPAL FEDERAL STATISTICAL PROGRAMS—Continued

requested for this program in 1958. An increase of \$45,000 is included for the Census Bureau, however, to provide for a sample survey of State and local governmental units in order to obtain needed information on the status of plans for various types of public works.

National income and business financial accounts.—This area includes a number of statistical and analytic programs basic to the Government's statistical system and to analysis of the national economy. It includes the work of the Office of Business Economics in preparing estimates of national income and product, measuring and analyzing business trends, and computing the balance of international payments. It also includes the statistical tabulations of personal and corporate income tax returns made by the Internal Revenue Service; the estimates of farm income and production expenditures prepared by the Agricultural Marketing Service; the statistics on financial and other operations of State and local governments prepared by the Bureau of the Census; the quarterly financial reports program prepared jointly by the Federal Trade Commission and the Securities and Exchange Commission and other economic statistical series compiled by the Securities and Exchange Commission.

Approximately one-fourth of the increase of about \$875,000 for these programs in 1958 is for mandatory items, and approximately \$650,000 is recommended to strengthen specific programs.

For the Office of Business Economics, an increase of \$40,000 is recommended to provide for publication of a new edition of the National Income Supplement, incorporating revision of the income and product estimates made possible by data now available from the 1954 economic censuses.

An increase of about \$300,000 is recommended to enable the Internal Revenue Service to prepare preliminary tabulations of key financial items in the income tax returns in order to make these important business indicator statistics available a year earlier than at present.

For the Agricultural Marketing Service, an increase of about \$150,000 is recommended to provide for the regular collection of data on farm income and production expenditures. A nationwide survey is designed to obtain information on farmers' expenditures for use in keeping the parity index up to date, as well as in preparing national and State estimates of farm income.

An increase of \$100,000 is recommended for the Federal Trade Commission to provide for extension of the financial reports program (now limited to manufacturing corporations) to include trade and mining corporations, on a sample basis. For the Securities and Exchange Commission, an increase of about \$50,000 is recommended for improvements needed in estimates of savings, plant and equipment expenditures, and small-company securities issuances.

PERIODIC CENSUS PROGRAMS

Censuses of business, transportation, manufactures, and mineral industries are authorized by existing legislation to be taken at 5-year intervals, and are next scheduled to be taken covering calendar year 1958. The 1958 budget recommends \$1.8 million for these censuses, to accelerate the preparatory work begun in 1957. Preparatory funds in 1958 will be used to determine the content and scope of the censuses; to develop detailed plans for the collec-

tion and processing of the data, with emphasis on the use of electronic equipment; and to establish mailing lists. Collection of information for most of the economic censuses will begin early in calendar year 1959, covering operations during calendar year 1958, but some of the information for the census of transportation will be collected during fiscal year 1958.

Preparatory work for the eighteenth decennial census, consisting of the 1960 censuses of population, housing, and agriculture, will be initiated in 1958. Of the \$4.1 million recommended for this purpose in the budget estimate, about \$2 million is for use in developing plans for the content of each census and the types of tabulations to be made; in defining the enumeration areas and preparing the maps needed for the thousands of enumerators who will canvass the population in 1960; and in field tests of collection procedures. The remaining \$2.1 million provides for replacing present electronic data-processing equipment with improved computers and obtaining newly developed auxiliary equipment. The more efficient computer systems and increased mechanization of associated operations will result in economies in the cost of processing census data, and will permit earlier publication of census results.

An appropriation of \$1,750,000 was made last year for the 1957 census of governments. About \$935,000 of this amount will be obligated in the current year and the remaining \$815,000 in 1958.

Direct obligations for principal statistical programs, by agency

[In millions]			
Agency	1956 actual	1957 estimate	1958 estimate
CURRENT PROGRAMS			
Department of Agriculture:			
Agricultural Marketing Service:			
Economic and statistical analysis.....	\$1.4	\$1.5	\$1.7
Crop and livestock estimates.....	4.6	5.2	5.7
Agricultural Research Service (production economics).....	1.6	2.5	3.5
Department of Commerce:			
Bureau of the Census.....	7.3	7.5	8.5
Business and Defense Services Administration (construction statistics).....	.1	.1	.1
Office of Business Economics.....	1.0	1.0	1.1
Department of Health, Education, and Welfare:			
Office of Education:			
Research and statistics.....	.2	.5	.7
Public Health Service:			
National Office of Vital Statistics.....	1.4	1.4	1.5
Public-health methods and reports.....	.5	1.2	1.8
Department of Labor:			
Bureau of Labor Statistics.....	6.6	7.0	7.8
Treasury Department:			
Internal Revenue Service:			
Statistical reporting.....	1.9	1.8	2.2
Federal Trade Commission (financial reports).....	.3	.3	.4
Securities and Exchange Commission:			
Operational and business statistics.....	.2	.2	.2
Total, current programs.....	27.1	30.2	35.2
PERIODIC CENSUS PROGRAMS			
Department of Commerce: Bureau of the Census:			
1958 censuses of business, transportation, manufactures, and mineral industries.....		.2	1.8
Eighteenth decennial census.....			4.1
1957 census of governments.....		.9	.8
National housing inventory.....		1.0	
1954 censuses of business, manufactures, and mineral industries.....	4.8	1.6	
1954 census of agriculture.....	4.4	.9	
Total, periodic census programs.....	9.2	4.6	6.7
Total, principal statistical programs.....	36.3	34.8	41.9

SPECIAL ANALYSIS K
SELECTED INVESTMENTS AND INTERFUND TRANSACTIONS
BY AGENCY AND ACCOUNT TITLE

Description	1956 actual	1957 estimate	1958 estimate
PUBLIC ENTERPRISE FUNDS			
Investments in Government securities:			
Independent offices:			
Farm Credit Administration: Operating fund, Federal intermediate credit banks.....	• \$2,162,850	• \$99,285,700	-----
Federal Home Loan Bank Board: Federal Savings and Loan Insurance Corporation fund.....	15,000,000	19,000,000	\$21,000,000
Veterans Administration: Veterans' special-term insurance fund.....	10,645,000	15,066,000	15,300,000
Housing and Home Finance Agency:			
Federal National Mortgage Association: Management and liquidating functions fund (debentures issued by Federal Housing Administration).....	9,580,950	26,939,900	14,000,000
Federal Housing Administration fund.....	68,928,800	100,040,050	120,100,000
Department of Agriculture: Farmers' Home Administration: Farm tenant-mortgage insurance fund.....	• 1,250,000	-----	-----
Total investments in Government securities.....	100,741,900	61,760,250	170,400,000
Issuance (—) and redemption (+) of debt to the public:			
Independent offices:			
Farm Credit Administration:			
Federal Farm Mortgage Corporation fund.....	+38,000	+30,000	+30,000
Operating fund, Federal intermediate credit banks.....	-43,685,000	+151,384,000	-----
Federal Home Loan Bank Board: Home Owners' Loan Corporation fund.....	+60,950	+75,000	+75,000
Tennessee Valley Authority fund: Proposed legislation.....	-----	-----	-10,000,000
Housing and Home Finance Agency: Federal Housing Administration fund ¹	-29,843,114	-45,772,350	-35,556,900
Total issuance (—) and redemptions (+) of debt to the public.....	-73,429,164	+105,716,650	-45,451,900
Net decrease (+) in cash balances due to debt and investment transactions of public enterprise funds.....	+27,312,736	+167,476,900	+124,948,100
TRUST FUNDS			
Investments in Government securities:			
Legislative branch: Library of Congress trust fund principal accounts.....	\$45,800	-----	-----
Independent offices:			
Civil Service Commission:			
Civil-service retirement and disability fund.....	544,806,000	\$777,570,000	\$791,724,000
Employees' life insurance fund (revolving fund).....	3,138,070	1,900,000	11,700,000
Farm Credit Administration: Operating fund, Federal intermediate credit banks.....	-----	99,110,700	-----
Railroad Retirement Board: Railroad retirement account.....	120,602,000	76,495,000	36,000,000
Veterans' Administration:			
Adjusted-service certificate fund.....	• 9,000	• 4,580,000	-----
General post fund.....	1,500	• 1,200,000	• 366,000
National service life insurance fund.....	135,440,000	85,932,000	67,000,000
United States Government life insurance fund.....	• 15,852,000	• 17,833,000	• 17,000,000
Department of Commerce: Bureau of Public Roads: Highway trust fund.....	-----	300,000,000	367,000,000
Department of Labor: Trust funds, Bureau of Employees Compensation.....	19,900	-----	• 20,000
Department of State: Foreign Service retirement and disability fund.....	2,893,000	1,568,154	1,357,000
Treasury Department:			
Office of the Secretary:			
Federal disability insurance trust fund.....	-----	327,000,000	555,000,000
Federal old-age and survivors insurance trust fund.....	1,462,539,685	958,409,415	-----
Unemployment trust fund.....	257,674,418	309,519,727	379,000,000
Bureau of Accounts: Trust funds.....	• 99,500	• 154,500	• 800,918
District of Columbia:			
Teachers' retirement and annuity fund.....	1,803,000	1,763,000	1,800,000
Investment accounts.....	4,335,000	5,000,000	5,000,000
Total investments in Government securities.....	2,517,337,873	2,920,500,496	2,197,394,082
Issuance (—) of debt to the public:			
Independent offices: Farm Credit Administration: Operating fund, Federal intermediate credit banks.....	-----	-196,514,000	-44,550,000
Housing and Home Finance Agency: Federal National Mortgage Association: Secondary market operations (trust revolving fund).....	-100,000,000	-300,000,000	-400,000,000
Net decrease (+) in cash balances due to trust fund debt and investment transactions..	+2,417,337,873	+2,423,986,496	+1,752,844,082

• Deduct, excess of sales and redemptions over investments.

¹ Includes net issuances of debentures to Federal National Mortgage Association of \$9,580,950 in 1956; estimated \$26,939,900 in 1957; and estimated \$14,000,000 in 1958.

SPECIAL ANALYSIS K—Continued
SELECTED INVESTMENTS AND INTERFUND TRANSACTIONS—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Description	1956 actual	1957 estimate	1958 estimate
CAPITAL TRANSFERS FROM EXPENDITURE TO RECEIPT ACCOUNTS			
Legislative branch: Government Printing Office: Government Printing Office revolving fund: Payment of earnings to Treasury.....	\$5,490,201	\$4,653,791	\$2,650,000
Independent offices:			
Civil Service Commission: Investigations:			
Payment of earnings to Treasury.....	8,793	7,071	
Repayment of principal to Treasury.....	22		
Export-Import Bank of Washington:			
Export-Import Bank of Washington fund: Payment of dividend to Treasury.....	22,500,000	22,500,000	22,500,000
Liquidation of certain Reconstruction Finance Corporation assets: Repayment of investment to Treasury.....	148,385	142,686	
Farm Credit Administration:			
Federal Farm Mortgage Corporation fund:			
Payment of dividends to Treasury.....	1,700,000	2,000,000	2,000,000
Repayment of capital stock to Treasury.....			10,000
Operating fund, Federal intermediate credit banks.....		6,570,000	5,325,000
Federal Home Loan Bank Board: Federal Savings and Loan Insurance Corporation fund:			
Repayment of capital stock to Treasury.....	11,932,000	13,876,000	16,498,000
Payment of return on capital stock to Treasury.....	757,241	1,319,650	989,300
Small Business Administration: Revolving fund, small defense plants activities: Repayment of investment to Treasury.....			1,368,655
Tennessee Valley Authority: Repayment of investment to Treasury.....	52,263,894	34,008,731	12,480,000
Veterans Administration:			
Rental, maintenance, and repair of quarters: Payment of profits to Treasury.....		100	100
Canteen service revolving fund: Repayment of investment to Treasury.....	604,949	613,788	332,939
Supply fund:			
Payment of earnings to Treasury.....		235,066	
Repayment of principal to Treasury.....	3,000,000	4,000,000	1,000,000
Veterans' special term insurance fund: Repayment of investment to Treasury.....	250,000		
Vocational rehabilitation, revolving fund:			
Collections of World War I loans (deposited to miscellaneous receipts of Treasury).....	10		
Repayment of investment to Treasury.....	400,000		
General Services Administration:			
Real property activities:			
Cost of maintenance, repair, etc., of improvements, public buildings: Payment of profits to Treasury.....	552,697	564,589	470,000
Maintenance, etc., Lafayette Building, Washington, D. C., public buildings: Payment of profits to Treasury.....	42,721	39,101	34,000
Personal property activities: General supply fund: Payment of earnings to Treasury.....		1,515,010	
General activities: Working capital fund: Payment of earnings to Treasury.....	4,031	5	600
Housing and Home Finance Agency:			
Office of the Administrator:			
Revolving fund (liquidating programs): Repayment of investment to Treasury.....	47,000,000	45,000,000	22,000,000
Community disposal operations fund: Repayment of investment to Treasury.....			14,000,000
Federal National Mortgage Association:			
Special assistance functions fund: Payment of dividend to Treasury.....		188,822	3,448,500
Management and liquidating functions fund: Payment of profits to Treasury.....			2,500,000
Public Housing Administration: Low-rent public housing program fund: Payment of dividend to Treasury.....	437,706	654,700	750,000
Department of Commerce:			
General administration:			
Defense production guaranties: Payment of profits to Treasury.....			5,883
Working capital fund: Payment of earnings to Treasury.....		61,000	
Maritime activities: Vessel operations revolving fund: Repayment of investment to Treasury.....	10,000,000		
National Bureau of Standards: Working capital fund: Payment of earnings to Treasury.....		62,819	
Department of Defense—Civil Functions: Department of the Army: Panama Canal Company fund: Repayment of investment to Treasury.....	5,000,000		
Department of Health, Education, and Welfare:			
Social Security Administration: Operating fund, Bureau of Federal Credit Unions: Repayment of investment to Treasury.....	25,000	25,000	25,000
Office of the Secretary: Working capital fund: Repayment of principal to Treasury.....	30,000	20,000	
Department of the Interior: Bureau of Reclamation: Continuing fund for emergency expenses, Fort Peck project, Montana: Payment of profits to Treasury.....	900,535	1,050,278	1,402,200
Department of Justice: Federal Prison Industries, Inc.: Payment of dividends to Treasury.....	4,000,000	2,250,000	2,400,000
Department of State: Maintenance and operation of commissary or mess service: Payment of profits to Treasury.....	213,657		
Treasury Department: Office of the Secretary:			
Federal Facilities Corporation: Repayment of investment to Treasury.....	45,000,000	38,698,986	715,000
Reconstruction Finance Corporation liquidation fund:			
Lending program:			
Payment of profits to Treasury.....	150,000,000	37,838,358	979,000
Repayment of capital stock to Treasury.....		45,042,800	13,635,000
World War II assets: Repayment of investment to Treasury.....	28,346,199	2,000,000	2,000,000
Smaller War Plants Corporation: Repayment of investment to Treasury.....	875,000	300,000	100,000
Total, capital transfers from expenditure to receipt accounts.....	391,492,941	265,238,450	129,619,177

SPECIAL ANALYSIS L

COMPARISON OF BUDGET RECEIPTS AND EXPENDITURES BY FUNCTION

FISCAL YEARS 1949 THROUGH 1958

Based on existing and proposed legislation

[In millions]

Description	Actual								Estimate	
	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
BUDGET RECEIPTS										
Individual income taxes.....	\$17,929	\$17,408	\$23,365	\$29,880	\$32,768	\$32,383	\$31,650	\$35,334	\$38,500	\$41,000
Corporation income taxes.....	11,554	10,854	14,388	21,467	21,595	21,523	18,265	21,299	21,400	22,000
Excise taxes.....	7,551	7,597	8,693	8,893	9,934	10,014	9,211	10,004	10,691	11,071
Employment taxes.....	2,487	2,892	3,940	4,573	4,983	5,425	6,220	7,296	7,750	8,420
Estate and gift taxes.....	797	706	730	833	891	945	936	1,171	1,380	1,475
Customs.....	384	423	624	550	613	562	606	705	775	800
Miscellaneous receipts.....	2,072	1,430	1,629	1,803	¹ 1,865	² 2,320	² 2,566	³ 3,012	³ 2,991	³ 3,283
Deduct—										
Transfers to trust funds.....	2,240	2,656	3,695	4,307	4,706	5,140	5,639	6,971	8,979	10,273
Refunds of receipts (excluding interest).....	2,838	2,160	2,107	2,302	3,118	3,377	3,426	3,684	3,880	4,156
Net budget receipts.....	37,696	36,495	47,568	61,391	64,825	64,655	60,399	68,165	70,628	73,620
BUDGET EXPENDITURES										
Major national security:										
051. Direction and coordination of defense.....	7	10	12	13	15	12	13	14	14	17
052. Air Force defense.....	³ 1,754	³ 3,600	³ 6,349	³ 12,709	15,085	15,668	16,407	16,749	16,890	17,472
053. Army defense.....	³ 5,245	³ 3,987	³ 7,469	³ 15,635	16,242	12,910	8,899	8,702	8,580	9,130
054. Naval defense.....	4,390	4,103	5,582	10,162	11,875	11,293	9,733	9,744	9,730	10,347
055. Other central defense activities.....	176	192	353	379	394	452	481	582	636	687
056. Development and control of atomic energy.....	622	550	897	1,670	1,791	1,895	1,857	1,651	1,940	2,340
057. Stockpiling and defense production expansion.....	299	438	793	966	1,008	1,045	944	588	425	395
058. Military assistance.....	415	130	991	2,442	3,954	3,629	2,292	2,611	2,600	2,600
Other major national security (proposed supplemental).....									150	347
Total, major national security.....	12,907	13,009	22,444	43,976	50,363	46,904	40,626	40,641	40,965	43,335
International affairs and finance:										
151. Conduct of foreign affairs.....	158	198	190	142	150	130	121	120	155	194
152. Economic and technical development.....	5,880	4,442	3,506	2,584	1,960	1,511	1,960	1,616	2,096	2,075
153. Foreign information and exchange activities.....	15	35	40	99	106	91	100	111	132	175
Total, international affairs and finance.....	6,053	4,674	3,736	2,826	2,216	1,732	2,181	1,846	2,382	2,444
Veterans' services and benefits:										
101. Veterans' education and training.....	2,703	2,596	1,943	1,326	659	546	664	767	791	758
102. Other veterans' readjustment benefits.....	631	278	163	122	138	158	150	123	121	110
103. Veterans' compensation and pensions.....	2,154	2,223	2,171	2,178	2,420	2,482	2,681	2,798	2,896	3,103
104. Veterans' insurance and servicemen's indemnities.....	95	480	50	216	102	100	57	105	49	42
105. Veterans' hospitals and medical care.....	737	764	745	784	757	782	727	788	816	836
106. Other veterans' services and administration.....	405	306	270	238	223	188	178	176	177	179
Total, veterans' services and benefits.....	6,726	6,646	5,342	4,863	4,298	4,256	4,457	4,756	4,851	5,027
Labor and welfare:										
211. Labor and manpower.....	211	271	254	275	281	277	328	475	381	400
212. Public assistance.....	931	1,125	1,187	1,180	1,332	1,439	1,428	1,457	1,584	1,684
213. Promotion of public health.....	174	244	306	330	318	290	275	351	501	606
214. Promotion of education.....	65	73	91	175	288	271	321	275	283	533
215. General-purpose research, libraries, and museums.....	32	77	58	40	36	35	56	60	98	111
216. Correctional and penal institutions.....	23	22	26	21	27	26	28	31	33	35
217. Other welfare services and administration.....	127	151	142	148	144	147	115	126	152	163
Other labor and welfare programs (proposed legislation).....										5
Total, labor and welfare.....	1,563	1,963	2,065	2,168	2,426	2,485	2,552	2,776	3,032	3,538
Agriculture and agricultural resources:										
351. Stabilization of farm prices and farm income.....	1,725	1,844	⁴ 461	46	2,125	1,689	3,508	3,946	3,432	3,514
352. Financing farm ownership and operation.....	65	146	339	272	109	256	236	231	216	271
353. Financing rural electrification and rural telephones.....	305	293	276	243	239	217	204	217	234	265

⁴ Deduct, excess of repayments and collections over expenditures.¹ Includes adjustment to daily Treasury statement.² Includes taxes not otherwise classified.³ Expenditures for Army defense include some expenditures for support of the Air Force financed from 1949 and prior year appropriations.

SPECIAL ANALYSIS L—Continued

COMPARISON OF BUDGET RECEIPTS AND EXPENDITURES BY FUNCTION—Continued

[In millions]

Description	Actual								Estimate	
	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958
BUDGET EXPENDITURES —Continued										
Agriculture and agricultural resources—Continued										
354. Conservation and development of agricultural land and water resources.....	\$241	\$337	\$346	\$341	\$317	\$244	\$286	\$305	\$579	\$636
355. Research, and other agricultural services.....	178	163	150	143	145	150	177	215	241	250
Total, agriculture and agricultural resources.....	2,512	2,783	650	1,045	2,936	2,557	4,411	4,913	4,701	4,965
Natural resources:										
401. Conservation and development of land and water resources.....	897	1,025	1,068	1,140	1,234	1,056	935	803	940	1,070
402. Conservation and development of forest resources.....	66	78	81	95	107	117	118	138	163	186
403. Conservation and development of mineral resources.....	29	34	36	35	38	37	37	38	88	99
404. Conservation and development of fish and wildlife.....	18	23	26	30	34	38	43	45	64	61
405. Recreational use of natural resources.....	19	24	30	33	30	33	35	44	76	76
409. General resource surveys and administration.....	20	22	26	32	34	35	34	35	39	47
Total, natural resources.....	1,049	1,206	1,267	1,366	1,476	1,315	1,202	1,104	1,371	1,538
Commerce and housing:										
511. Promotion of water transportation.....	273	258	281	420	455	370	349	420	418	420
512. Provision of highways.....	453	498	455	470	572	586	647	783	44	42
513. Promotion of aviation.....	191	213	222	237	239	275	253	251	339	465
514. Postal service.....	530	593	626	740	659	312	356	463	459	58
515. Community development and facilities.....	• 72	• 2	8	15	45	37	56	4	63	77
516. Public housing programs.....	42	• 37	124	148	29	• 401	• 115	31	71	54
517. Other aids to housing.....	313	307	469	511	413	• 142	270	10	651	308
518. Other aids to business.....	112	100	• 45	• 169	• 111	• 330	• 404	• 83	66	105
519. Regulation of commerce and finance.....	63	63	76	190	137	45	38	41	45	52
520. Civil defense.....				33	51	60	42	56	71	95
521. Disaster insurance, loans, and relief.....				28	12	1	12	43	41	73
Total, commerce and housing.....	1,904	1,991	2,217	2,623	2,502	814	1,502	2,028	2,269	1,748
General government:										
601. Legislative functions.....	37	46	50	50	49	49	60	77	95	107
602. Judicial functions.....	21	27	30	30	29	29	31	38	41	45
603. Executive direction and management.....	9	10	17	14	11	11	12	12	13	18
604. Federal financial management.....	378	390	413	438	442	449	431	475	478	519
605. General property and records management.....	170	137	181	232	185	155	164	164	248	307
606. Central personnel management and employment costs.....	259	347	351	368	387	93	115	334	627	104
607. Civilian weather services.....	24	24	24	26	28	26	25	34	39	40
608. Protective services and alien control.....	104	109	126	176	147	160	157	188	186	196
609. Territories and possessions, and the District of Columbia.....	21	22	22	50	55	53	67	69	78	103
610. Other general government.....	53	74	112	79	140	213	139	238	66	12
Total, general government.....	1,076	1,186	1,327	1,464	1,474	1,239	1,201	1,629	1,870	1,451
Interest:										
651. Interest on the public debt.....	5,352	5,720	5,615	5,853	6,504	6,382	6,370	6,787	7,200	7,300
652. Interest on refunds of receipts.....	87	93	93	76	75	83	62	54	54	54
653. Interest on uninvested funds.....	6	4	6	5	5	5	5	6	6	6
Total, interest.....	5,445	5,817	5,714	5,934	6,583	6,470	6,438	6,846	7,260	7,360
Allowance for contingencies.....									200	400
Adjustment to daily Treasury statement basis.....	+272	+341	-705	-857						
Total, net budget expenditures.....	39,507	39,617	44,058	65,408	74,274	67,772	64,570	66,540	68,900	71,807
Budget surplus (+) or deficit (—).....	-1,811	-3,122	+3,510	-4,017	-9,449	-3,117	-4,180	+1,626	+1,728	+1,813
MEMORANDUM										
Capital transfers from expenditure to receipt accounts.....	\$802	\$276	\$208	\$268	\$265	\$364	\$695	\$391	\$265	\$130
Investments of revolving funds in U. S. securities.....			104	101	79	• 77	126	101	62	170

• Deduct, excess of repayments and collections over expenditures.

Note.—Category 058 above represents the consolidation of two subfunctions used in the 1957 budget—058, Military assistance, and 059, Direct forces support.

In addition, expenditures of the Saint Lawrence Seaway Development Corporation and the portion of Department of Defense—Civil

Functions appropriations for rivers and harbors and flood control previously classified in 511, Promotion of water transportation, have been reclassified to 401, Conservation and development of land and water resources.

A B C D E F G H I J K L
M N O P Q R S T U V W X Y Z







